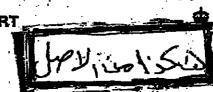
PUBLISHED IN LONDON AND FRANKFURT

Friday July 20 1979





CONTINUENTAL SELLING PRICES: AUSTRIA SOL 15: BELGIUM F. 28; DENMARK K. 3.5; FRANCE F. 3.5; GERMANY DM 2.0; ITALY 1 600; NETHERLANDS FI 2.0; NORWAY K. 3.5; PORTUGAL Eso 25; SPAIN PG 50; SWEDEN K. 3.25; SWITZERLAND F. 2.0; EIRE 250

GENERAL

BUSINESS.

Drug Dollar hauls at improves; Gold record falls \$2\frac{1}{4} level

The selzure of controlled drugs in Britain last year soared to its highest level since the 1971 Brugs Misuse Act came into force, the Home Office said. More than 13,400 seizures were made. Hard-drug addic-

tion climbed by 19 per cent and the number of registered narcotic addicts rose to 4,122 - a The Home Office statistics show that the 60.8 kilos of

Woman Premier

heroin seized was twice the pre-

record level.

vious year's total."

Scientist and diplomat Maria de Lurdes Pintassilgo became Portugal's first woman Prime Minister. She will pick a caretaker Government in preparation for an autumn general election. Page 2

U.S. reshuffle

Mr. G. William Miller, chairman of the U.S. Federal Reserve Board, is expected to replace Mr. Michael Blumenthal as Secretary of the Treasury in President Carter's salle. Health Secretary replaced. Back Page

Queen arrives

The Queen was greeted by local cancers and strict security when she arrived at Tanzania's Kilimanjaro airport to begin her tour of Africa.

Hijack alert

The U.S. State Department has warned all shipping in the Gulf to beware of possible hijacking or terrorist attacks con cor around next Monday, anniver-sary date of the 1952 Egyptian revolution.

Pope 'for U.S.'

The Pope will visit the U.S. in first Pontiff to meet a President. in the White House, according to the National Catholic News Service.

Death sentence

Death sentence on discotheque doorman Nigel Hopton was upheld by Jersey Court of Appeal. The fate of Hopton, sentenced for the murder of a girl now rests with Home Secretary William Whitelaw.

Roodie arrest

Eschel Roodie, former South African Information Ministry official accused of embezzlement, was arrested by police on the French Riviera.

No extradition

Jovce McKinney, who fied to the U.S. before her Old Bailey trial on a kidnapping charge, has been arrested there but will not be extradited, the Director of Public Prosecution's office said. It would be too expensive, and 'not in the public interest."

Race warning

Racial turmoli could come to Britain if efforts to improve race relations were not increased said David Lane, chairman of the Commission for

Racial Equality. General to go Iran's military police chief, Gen. Said Amir Rahmi is to resign within a few days, as part of a

deal between the Government

and the ruling clergy to avoid a

Cabinet erisis. Page 3 Briefly

Industrial espionage should be made a crime, the Association of British Investigators urged.

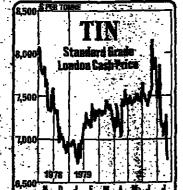
Reliant is calling in all its Robin three wheel cars made since 1973 for steering adjust-

No. 27,920

DOLLAR finished around its best level of the day after con-tinued support from the Bun-desbank and Swiss National Bank and the Bank of England, It closed at DM 1.8090 (DM 1.8070) and its trade-weighted index rose to 83.7

● GOLD fell \$21 to close at \$2991 with profit-taking out-weighing buying interest.

• CASH TIN fell sharply for the third day running, closing



£167.5 lower at £6,725 10nne the lowest level since annary.

• EQUITIES railied, primpted by the slackening of the recent increase in the rate of maney growth. The FT I-share index, off 4.9 at 11 and classed 0.1 down at 479.1.

GHLTS also recovered large and medium-differ is to granted earlier lostes stretching to a full point but shorts traded lightly and falls sanged to half a point. The Govern-ment Securities Index closed

0.09 down at 73.48. • WALL STREET before the

close was off 1.87 at 826.71. STERLING touched \$2.304 but lost ground to close 1.65 cents up at \$2.2940.

• U.S. bond and money markets were firmer in response to a better shawing for the dollar and were further helped by news that U.S. personal income in June rose only 0.5 per cent. Aides dismiss market impact,

• PRIVATE SECTOR steelmakers are taking the initiative in a new round of British steel price increases. Back Page. Steel unions agreed to meet management to discuss the future of the Corby works where 6,000 jobs may be lost.

Page 9 • ROLLS-ROYCE MOTORS has won a £70m deal to provide engines for the Army's next generation of main battle tanks.

• IRAN is to sue General Telephones and Electronics of the U.S. for \$1bn compensation over an unfinished telephone system.

 ASSOCIATION of Licensed Dealers in Securities is seek-ing early talks with the Department of Trade and the Council for the Securities Industry, both of which are proposing stricter control of dealers' activities. Page 6

COMPARIES

• DISTILLERS, the whisky and gin group, reports pre-tax profits up from £162.5m to £180.1m in the year to March 31 despite the transport strike and internal industrial action. Page 26 and

GREAT UNIVERSAL STORES, the mail order and multiple retail stores concern. increased pre-tax profits from £128.1m to £155.4m in the year to March 31 Page 26 and Lex

● DOWTY GROUP, aerospace defence, mining and electronic concero, improved taxable profit to a record £31.2m (£25m) in the year to March 31 Page 26 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwi	se indicated)
Alginate Inds	Compagnie Bancaire 143 — 54 Deutsche Bank £66 — 5 Hasiemere Exts 308 — 12 Jenks and Cattell 80 — 5 NatWest Bank 356 — 5 Negretti & Zambra 45 — 14 Philips Lamps 535 — 40 Tricoville 83 — 3 Turaer and Newall 124 — 4 Unilever NV £174 — 1 Wedgwood 75 — 7 Highlands 92 — 4 Kloof 633 — 43 Libanon 512 — 39 Randfontein £25 — 2 RTZ 260 — 8

NEB assured of limited role for next five years

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

The National Enterprise Board was given a new lease of life yesterday and is now assured of a continuing, though restricted, role for at least five years. tance and are a challenge for

In addition to looking after ing cuts.
"lame ducks" such as BL and
Rolls-Royce, it will continue to can be done by abandoning its invest in high technology ventures and in small companies in the North and North-west, provided this is done in partnership with the private sector and that shareholdings are progressively sold off.

It also has to dispose of assets worth £100m later this year as part of the Government's sale of £1bn from BP and other companies. It seems likely to consider selling its holdings in ' and Brown Boveri Kent first, followed by part of its stakes in

Ferranti and Fairey Holdings. But Sir Keith Joseph, Industry Secretary, said last night that for reasons of national interest, he would not allow the NEB to place Ferranti or ICL with a foreign company.

The NEB is also being budget in the current financial year by £30m to help build up the Government's public spend-

can be done by abandoning its merchant banking role of investments in general companies, in line with its new restricted role.

These are the main points of an understanding, thrashed out between Sir Keith Joseph and Sir Leslie Murphy, chairman of the NEB, and accepted by the Prime Minister and members of the NEB.

Last night both men appeared to feel that they could foresee the NEB developing in an acceptable maner, even though Sir Keith has given the organisation a considerably larger role than was envisaged in the Conservative election manifesto while Sir Leslie has lost some of his merchant banking and industrial restructuring roles.

measures in the Commons, Sir required to trim its spending Leslie said: "I think that this is a very sensible compromise. Those tasks that remain for

the NEB are of national impor-

the Board and its staff and will provide us with a great deal to Sir Keith said he was "not

guaranteeing the NEB a long life" and admitted he would eventually like to see it reduced to a North of England version the Scottish and Welsh Development Agencies.

But for the rest of the life-time of this Parliament he accepted it would have a role looking after problem companies like BL and Rolls-Royce and in developing about a dozen high technology companies that it has developed, especially the INSAC computer software consortium. The future of the INMOS

micro-chip venture, will be rehowever, although contractural commitviewed. After Sir Keith announced the ments totalling £25m will be

"We found the high tech-nology tiddlers and minnows are not in a state that can be sold Continued on Back Page

Details, Page 10 • Editorial comment and the state of regional policy, Page24 Details of regional aid cuts. Page 6

Large gas rises to close gap in energy prices

BY RAY DAFTER, ENERGY EDITOR

DOMESTIC GAS users face a series of big price rises over the next few years. The Government is concerned about the way that domestic gas tariffs have strayed out of line with other fuels and is considering

If the British Gas Corpora tion were allowed a free hand the increases could run at an annual rate of 5 per cent more than the general level of inflation. However, in one of its first policy decisions, Government pledged domestic gas prices would be held down until next April.

That decision has contributed to the general disparity between fuel prices and it has left British Gas facing extra demand which it cannot meet. The Price Commission, in one

The Commission based its Commission itself."

The Commission based its Commission itself."

The Corporation believed imported from Norwey 14

TREND IN UK DOMESTIC FUEL PRICES (March 1976-March 1979) % increase

At fuels and light

the cost of using a scarce and increasingly expensive natural

Ail the Corporation's profit on gas activities was forecast to come from the non-domestic market, where prices were being raised in line with oil prices, the report added.

British Gas said that for many years it had not been free to of its last reports, published determine the price for yesterday, estimated that domestic gas on any systematic domestic gas users should be basis. Andeed, for the last four paying about a third more, an vears, these prices have been additional 6p to 7p a therm, if artificially held down by the supplies were priced at their need to comply with the special

that present and future users of calculated the true value of gas gas should bear a fair share of for domestic consumption. It is

understood to be unhappy that the Commission used the price of Norwegian gas as a basis for its calculation. British Gas hopes to obtain fresh supplies from less expensive sources, such as the Irish Sea and inshore North Sea fields.

The Government is reviewing the pricing policies of all the energy industries. It sees three basic options for dealing with

e It could introduce a tax at the consumer end, a prospect considered politically un-attractive by the Conservative's energy team.

1 It could allow British Gas to raise prices and make even bigger profits. According to the Price Commission the Corporation will report next week a profit for 1978-79 of around £353m after interest but hefore taxation, a 12 per cent return on turnover and almost double the previous year's profit

The Price Commission says that even with phased price increases—"necessary to protect the interests of customers the Corporation would find Continued on Back Page

£47m boost for Chrysler Spain

BY DAVID GARDNER IN MADRID

PEUGEOT-CITROEN is stantial investment programme within Chrysler Europe since the French group bought it from its former U.S. parent in

M. Francois Perrin-Pelletier, president of Chrysler Europe, said in Madrid yesterday that the money would be used to modernise existing plant, to help develop a new range of at Almusafes, near Valencia, models in the car and lorry divisions, and increase the number of Spanish sales dealers. Motors is due to set up in Sara-Chrysler Espana was the only gossa and Cadiz by 1982-83. unit in the Chrysler Europe

spend Pta 7bn (£47m) on its year, and has clearly convinced has a range of Dodge mode Chrysler plant at Villaverde, Peugeot-Citroen of its viability. from 31 tonnes to 42 tonnes near Madrid, in the first sub-Peugeot-Citroen has two other Spanish lorry sales ha plants in Spain, in the north-western towns of Vigo and Orense, planned modernisation

by Chrysler, is a clear indication that Peugeot-Citroen believes it will be capable of competing with Ford's modern complex and the perhaps even more advanced plants which General Particular attention will be so far.

to network to make a profit last paid to the lorry division, which its year, and has clearly convinced has a range of Dodge models Spanish lorry sales have fallen sharply this year, but figures for the first five months show that Dodge sales dropped by only 4.2 per cent, against a

of the Villaverde plant, which 9.7 per cent national average.
was allowed to run down badly As well as the new inves As well as the new investment, which should be completed within 18 months, Peugeot-Citroen plans that new models from the Chrysler Europe range should be available in Spain within six months of their introduction elsewhere compared with the up to four years which has been the case

CONTENTS

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Heavy demand pushes up pound

BY PETER RIDDELL

STERLING rose sharply yesterday against all major curren-Demand was reported to be heavy from both the Middle East and from New York and the trade-weighted index jumped by 0.7 points to 72.8, its highest close since February, 1976.

The index has risen by more than 2½ per cent so far this week and by nearly 14 per cent since last December. The recent appreciation has led to increasing concern in industry and from MPs about the impact on exports. But in the Commons yesterday both the Prime Minister and Sir Geffrey Howe, the Chancellor, reaffirmed the Government's commitment to both a strong pound and to free floating.

Mrs. Thatcher recognised the problems of a high rate but said: "Undoubtedly a rising pound on the levels we are see-ing now will help inflation to come down."

Controls

Sir Geoffrey stressed the experience under successive governments that attempts to determine or pre-determine the value of sterling were difficult to achieve.

Demand for sterling yesterday was apparently unaffected by the further relaxation of ex-change controls announced on Wednesday and the pound rose from DM 4.11? to DM 4.15 and from FFr 9.571 to FFr 9.67.

The pound moved over \$2.30 for the first time in more than four years but after touching \$2,3045 the rate fell back on rumours of possible new U.S. moves to tighten credit. It closed 1.65 cents up on the day at \$2,2940.

James Batholomew adds: Share prices in Holland and Germany rose yesterday following the relaxation of exchange controls.

The Dutch market rose 2 per cent on the day. Many British institutions switched from Shell Transport and Trading into their Dutch Unilever equivalents.

Money markets. Page 35 Exchange control reactions, Page 6

£ to New York Spot | \$2.2950-2.2955;52.2550-2540 1 month | 0.76-0.72 dis 0.74-0.68 dia 1.83-1.79 dis 1.82-1.76 dis 12 months | 4.53-4.55 dis 4.72-4.52 dis

Bank lending rises at near record rate

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

there are no signs yet of any supply. significant easing in demand for

The money supply figures for mid-June, published yesterday by the Bank of England, fully explain why Minimum Lending Rate was increased by 2 per cent to 14 per cent in the Budget and why the authorities are cautious about cutting in-

terest rates. In the Commons yesterday Sir Geoffrey Howe, the Chancellor, said that until public spending and the growth of the money supply had been brought under control. "it would be folly to reduce interest rates

for their own sake." Sterling M3. the broadly defined money supply, including cash and bank current and seven-day deposit accounts, rose by 1.1 per cent in the month to mid-June on a seasonally adjusted basis.

This indicates an annual rate of increase of 13.3 per cent since last October, the start of the old target period, and a rate of 15.3 per cent in the last three months. The old target was an annual rise of 8 to 12 per cent. The new target, which started in mid-June, is an annual rate of increase of 7 to 11 per cent.

The latest figures show that bank lending remains the main expansionary influence. A continued high level of public sector borrowing-with the valueadded tax increase and public spending cuts unlikely to start working through until late summer—has been offset by sales of gilt-edged stock. Inflows

RANK LENDING increase at a from overseas have had neglig-near-record rate last month and ible influence on the money

In the mouth to mid-June. bank lending in sterling to the private sector rose by £937m. To assess the underlying picture, it is necessary to add on a rise of over £300m in bank acceptances held outside the banking system, effectively an-other kind of credit.

The recent strength of bank lending-up £4.7bn in the last six months—can be partly explained by exceptional in-fluences such as the winter industrial disruption and by borrowing to finance the pre-Budget consumer boom. Many City analysts expect bank lending to wealen later in the year.

The evidence from the clearers and from industry is that the demand for credit is still strong partly because of continued stockbuilding and possibly also in anticipation of financial pressures on industry later in the year. In the month to mid-June

the public sector borrowed £1.4bn, while £1.45bn of central Government debt was sold. Sales of gilt-edged stock to financial institutions and the public contributed £1.12bn. Sales of gilts in the July banking month, which ended on Wednesday, were probably more than £1bn. At least £500m is

already committed for the August banking month. The new 3 per cent Exchequer 1984 Stock attracted little money when lists closed yester-

> Table, Page 7 Lex, Back Page

Vauxhall faces 25% claim

BY NICK GARNETT, LABOUR STAFF

MOTOR INDUSTRY wage negotiations for the next pay round opened yesterday when a claim for rises of 25 per mitted on behalf of Vauxhall Motors' 26,000 workers.

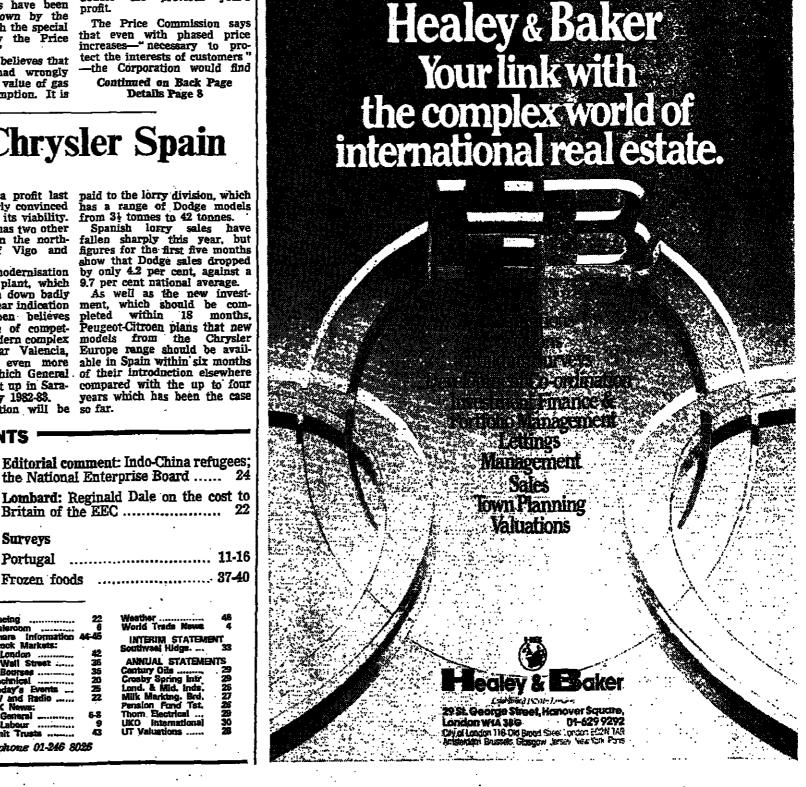
The claim, one of the first submitted in heavy industry for the next bargaining year, follows the agreement last year that the settlement for Ford manual workers should be put back and operated

Vauxhall unions put forward the claim, at a meeting the company's joint of negotiating committee. As well as the increases they also

want a reduction from 40 hours to 38 as a first step towards a 35 hour working

> The unions are also seeking the shutdown of Vauxhall's three UK plants-Ellesmere Port, Luton and Dunstablefor a full week's holiday over Christmas. The claim includes holiday pay at time and a third to bring UK plants. according to the unions, into line with its European fac-

> tories. Last year's pay deal involved increases of 4.3 to 6.7 per cent plus a productivity arrangement which union officials said produced total rises of around 10 per cent.



W. Germany

'still likely

to achieve

4% growth'

By Guy Hawtin in Frankfurt

THE BUNDESBANK, West

Germany's central hank, be-

lieves that the Government's

increases and last week's hike in key German interest rates.

A bullish note is sounded in the Bundeshank's July re-

port. published to-day. It says

that all the latest economic

data point to a picture of a broadly-based economic up-

According to the report. im-

ports of about the same volume of crude oil and oil products this year would en-tail a price increase equiva-

lent to a per cent of GNP. But it says that this does not mean a comparable decline in

real overall demand can be

The oil price rises, the Cen-

tral bank admits, could make things more difficult for West

German export efforts in parts of the Third World and

in certain industrial coun-

tries. Export prospects for

German industry, however, remain excellent overall, it

says.

The depressing effect of increased energy costs on pri-

partially offset by a decline in

the savings rate. Investment

projects undertaken this year

were going well, said the

duction rose by more than 5

per cent during the first half

of the year. Commercial vehicle output, heavily depressed in 1978, increased

The Verband der Automo-

bilindustric, the country's motor industry trade asso-

clation, warned that the figures had been distorted by

production lst as a result of the metal industry strike in

the opening months of 1978.

Even so, output is continuing

Fund launched

for Charter 77

A SHOW TRIAL of Czecho-

slovak dissidents next month

and reports of a planned

crackdown on dissidents throughout Eastern Europe

are stimulating protests by

West European political par-

Mr. Erie Heffer, a member

of the Tribune Group, yester-

day called on the British

tougher stand against political

repression in Eastern Europe

and announced the creation

of a Charter 77 defence fund

for which he is seeking for-

mal support from the party's

national executive committee.

Demands for a more out-spoken attitude to political

repression have been prompted by the arrest last

May of 10 prominent mem-bers of the Czechoslovak dissi-

Labour Party to take a

at a very high level.

accused

By Anthony Robinson

by 14 per cent.

West German car pro-

consumption could be

expected.

Oil price rises prompt gloomy EEC forecast

THE RISE in oil prices, estimission to revise its short-term economic forecasts to allow for higher inflation and lower

In its latest report on the economic situation in the supports the pessimistic conclusions of this week's economic survey by the Organisation for Economic Co-operation and Development (OECD).

It estimates that the average EEC inflation rate will rise from about 7 per cent last year to 9 per cent this year, against 7.5 cent forecast before the latest OPEC price increases.

At the same time, it expects that the current account sur-plus will be only \$8hn, instead of \$11.5hn, as forecast earlier. Overall EEC growth will probably be 3.2 per cept, instead of the earlier expected 3.4 per

mated at 27.5 per cent for this sion says, increases in energy year, has caused the EEC Com- prices must be passed on in full to consumers to ensure longterm changes in consumption

> These increases must not be offset by wage rises. "The secondary inflationary effects of the rise in oil prices must be kept to the strict minimum by accepting a reduction in living standards large enough to offset the rise in oil imports."

The report says that increases in commodity prices, including oil, could further aggravate the gap between inflation rates in the nine member-states. The gap between the highest and lowest member-country rate of inflation increased from 12.4 per cent in the last quarter of 1978 to 16.5 per cent in the first quarter of this year—the big-gest gap since 1975.

In view of this, the commis- on March 13, the report draws attention to pressures on the Italian lira, Belgian franc and Danish krone. Currencies other than these have remained close to their central rates so far, although the level of overall fluctuation among Community exchange rates rose in the second quarter of the year.

The report predicts a marked rise in Britain's inflation rate stemming from the Conservative Government's budget and says retail prices could rise by more than 13 per cent for the

It sees Britain's current account in deficit for the year and says a slowing in the rate of growth of output is likely to raise unemployment in the second half of the year. The prices of oil and main

petroleum products in the EEC have risen by an average 42.5 gest gap since 1975.

Turning to the European according to EEC figures pubMonetary System, which started lished yesterday.

Euro-MPs row delays speeches

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT,

THE MEASURED ceremonial atmosphere which has ruled over the European Parliament's inaugural session for much of this week was rudely disrupted yesterday by the outbreak of an acrimonious dispute over procedural objections raised by a dissident fringe of Euro-MPs.

The day's proceedings had been supposed to start off with formal addresses by Mr. Michael O'Kennedy. the Irish Foreign Minister and incoming president of the Council, and Mr. Roy Jenkins, president of the European Commission.

But the two men were forced to sit forlornly on the side-lines as the debate raged on for more than four hours, during which three roll-call votes were taken. They eventually got around to speaking only late in the after-

Though out-manoeuvred on the floor yesterday, the complaining Euro-MPs, were by no means ready to accept defeat. Indeed, they have threatened to use delaying tactics to paralyse parliamentary business for days ahead until their demands are met.

ing to the limit the right of any group of ten or more members to demand a time-consuming roll call vote on any motion or amendment coming before the

The root of the dispute is a the minimum number



Mr. Michael O'Kennedy

the new parliament should be raised from 14 to 29. For groups composed of more than two nationalities, the minimum would be raised from 10 to 21.

The effect of this recommendation would be to outlaw the group status of a mixed bunch of eleven Italian. Belgian, Irish and Danish Euro-MPs who have banded together more out of belief in safety in numbers than out of any shared politi-

They certainly make odd bedrecommendation put forward fellows. Circumstances have some relatively minor Commis-by the outgoing Rules Committhrust two Belgian militant sion proposals for farm moderof members required to form a of a compatriot who is a Flem- improving aid to poorer agriculrecognised political group in ish activist. They, in turn, rub tural areas.

shoulders with four Danes elected on an anti-EEC ticket and five Italian Radicals and

Their common interest, how-ever, is that a Euro-MP can only hope to attain a senior position on one of the Parliament's important committees if he or she belongs to one of the recognised multi-party groups.

appears to favour increasing the minimum group size, ostensibly on the grounds that the Parliament's membership might otherwise fragment into numerous and unmanageable small factions.

Mr. O'Kennedy told the Parliament yesterday that he would welcome a decision by the British Government to be-come a full member of the European Monetary System before the end of this year. He added that he believed

that the recent change of government in the UK improved the prospects of the EEC agreeing soon on a common fisheries policy.

Mr. O'Kennedy conspicuously omitted any reference, however, to the need to reduce agricultural surpluses or reform the Common Agricultural Policy, even though this is taking up an increasing share of EEC budget expenditure.

The only new progress which ne promised to press for in this field was in the examination of

Hungary plans steep price rises

BY PAUL LENDVA! IN VIENNA

state leadership has decided to ation, the move for the first carry out the steepest-ever increases in prices, with effect

It is seeking to re-establish external and domestic equilibrium and to move towards a realistic price structure in line with world market trends. Tens of thousands of party

activists have already begun to explain the need for the drastic measures at emergency meetings convened to inform some 780.000 party members. The outcome of the Hungarian measures is bound

to have a powerful impact on the other Communist states, faced with more or less similar

The decision in principle was taken by the party's central January by 25 per cent and in committee at a closed meeting on June 29. It was followed by a series of articles explaining the need for an across-theboard readjustment of the price increase at the projected level

de Lurdes Pintassilgo, has been

appointed to form a new gov-ernment, which will prepare interim elections in the autumn

tual and technical experience.

she was a lading lay exponent

volved in grass-roots community

policies for women.

woman Prime Minister.

Woman Prime Minister

THE HUNGARIAN party and According to reliable informtime simultaneously affects all basic foodstuffs. Thus, the price of bread will be raised by 50 per cent, meat by an average 30 per cent, sugar by 23 per cent, and dairy products by 20 per cent. Electricity charges will go up

by 51 per cent and central heat-Fuels will be 34 per cent more expensive, building materials 12 per cent, furniture 18 per cent and leather goods 20-25 per

Restaurant charges, and theatre and cinema tickets will also be raised steeply. Cars will cost 20 per cent more. Petrol prices have already been raised twice this year, in June by a further 20 per cent. It remains to be seen whether the authorities will be able to hold down the annual price

This is the most drastic belttightening package since the economic reforms began in Hungary 10 years ago. To offset at least some of the effects, a monthly allowance of 180 forint (about £4 at the tourist rate) will be given to each wage and salary earner.

The sum amounts to some 5 per cent of the average earnings in industry. Farmers will allowance of Ft 130 a head will also be announced.

dent movement. Charter 77, and plans to put them on trial next mouth on charges of sub-

Mr. Heffer said the Charter 77 movement was supported by 13 Western Communist Parties and all the European Socialist parties.

BUNDESBANK CHANGES IN PROSPECT

Poehl tipped for top post

LEADERSHIP changes are in prospect at the Deutsche Bundesbank the West German Central Bank Dr. Otmar Emminger has made clear he would prefer to step down as President at the end of this

targeted gross national pro-duct growth of 4 per cent this His position is likely to be year is still attainable. This taken by the Vice-President, is despite OPEC's recent price Herr Karl Otto Poehl, with Dr. Ielmut Schlesinger, a member of the Bundesbank directorate, moving into Herr Poehl's present job.

A final decision will be taken by the Cabinet in Bonn by the autumn, but it is understood meanwhile, that Chancellor Helmut Schmidt has come to favour a Poehl-Shelesinger leadership tandem.

It was not always so. Dr. Emminger became president only two years ago after a distinguished career spanning about three decades both at the Bundesbank and at its predecesthe Bank Deutscher Laender. His presidency has not been

uncontroversial-particularly in the last six months as the economy has moved more strongly out of recession and the Bundesbank has applied monetary brakes, to the discomfort of some at home and

But there is little doubt he could have had his period of office prolonged beyond this year had he wished. Now 68, he has decided against this.

It is no secret that Herr Schmidt had his eye on a per-

son outside the Bundesbank altogether as a successor to Dr. felt, be a wholly suitable pre-Emminger. He was Dr. Wilfried cedent.

Herr Karl Otto Poehl

Guth, joint spokesman (in effect managing board chairman) of the Deutsche Bank, the country's largest commercial.

Herr Guth, 60, has long been valued by Herr Schmidt for his advice on domestic and international financial matters. But he does not seem to have been enthusiastic to leave the Deutsche Bank — even for the

There are those who note that Emminger's predecessor, Dr. Karl Klasen, also came from the Deutsche. Yet another Bundesbank leader from the same source might not, it was

That may appear to leave Herr 1980s and beyond. Poehl as third best choice. In fact, no one seriously questions appointed for eight years and

who feel he is somewhat young age is clearly no object. way up. It goes without say—a fact which has already ing that some envy is mingled drawn suggestions from some with this. But Herr Poehl's in the Conservative opposition imusually relaxed demeanour that the Bundesbank is being ean unsettle those who feel that an air of Olympian gravity is most appropriate to a central banker, particularly a German

The fact is that if Herr Poehl theless done so on oiled wheels. He appears to have failed in nothing he has undertaken-from early work as a divisional head at the IFO economic institute in Munich, as an

economic journalist in Bonn, as a member of the executive at the Federation of German Banks, and then in a series of Government posts, finally as State Secretary at the Finance Ministry. Not only did he have formal

responsibility at the Ministry for domestic and international monetary affairs. He also helped Herr Schmidt on other matters of particular delicacy including preparations for the Western economic summit conferences, and as the Chancellor's special envoy on a mission to East Berlin.

The president is normally Herr Poehl's competence the term can be renewed. As But there are certainly those far as Herr Poehl is concerned.

for the job (he will be 50 on Herr Poehl is known to be a December 1) and that he has member of Herr Schmidt's had if a little too easy on the Social Democratic Party (SPD)

" politicised." The suggestion is that Herr Poehl might be prepared to allow the SPD-led Government more monetary scope than is consistent with the need to hold has pursued a somewhat zig-zag down inflation or even that he rourse to the top, he has none might be more amenable to pressure from Bonn over development of the European Monetary System (EMS) All this is unlikely in the

extreme. But for those who think there is any such danger, the probable presence of Dr. will be a powerful reassurance. Whatever his political party may be Dr Schlesinger is a highly talented economist wholly dedicated to monetary stability, with 27 years experi-ence in the Bundasbank, five years of it in the directorate. The likelihood is that from

next year, the Bundesbank will again have a well-balanced leadership combination.

After Dr. Klasen and his more conservative deputy. Dr.

Poehl tandem. Another person-He went to the Bundesbank nel change is on the way, as Vice-President in 1977—and it now looks as though he could tion in style but hardly one hold the top job through the of policy.

More German aid to Third World urged

BY ROGER BOYES IN BONN

LEADING West German development aid experts yesterday urged private industry to increase its investment in developing countries and step up the transfer of technology from the West to the Third World.

The Deutsche Gesellschaft fuer Wirtschaftliche Zusammenarbiet (DEG), a Govern-ment enterprise which provides extra capital and expertise to companies investing in the Third World, said that official aid alone could not adequately raise the technological level of the developing countries.

The aim should be to ensure that developing countries had a

25 per cent share in world industrial production by the

Dr. Karl-Heinz Sohn, a senior try in 1978 and nearly half of internationally set target of 0.7 DEG executive particularly criticised medium and smallterm enterprises which have ment banks. tended to invest only token amounts or nothing at all in developing countries.

the investors engaged in DEGbacked projects accounted for only 4 per cent of total invest-The DEG had allocated

DM 122m to German companies in 1978 while the total amount invested in the enterprises co-financed by DEG was DM 405m, Dr. Sohn added.

industries, especially develop-In contrast to the general

mounts or nothing at all in trend of German overseas eveloping countries. investment well over 50 per Thus, about 80 per cent of cent of DEG's new commitments were in Africa. DEG's concern about the level of private investment is

particularly significant because Bonn has repeatedly justified its low official aid programme by referring to the large flow private capital to the Third

More than 40 per cent of 12 per cent in the official aid average degree of entrepreneu-DEG's new commitments were allocations, the Government pro- rial risk if this will encourage made to manufacturing indus- gramme is still well below the more hestant German investors.

per cent of GNP. Bonn claims, however, that if private trans-fers are taken into account German aid comes to well over 1 per cent of GNP.

But DEG directors made clear that the interest of private investors, especially those from smaller concerns, was flagging. They apparently feel they are handicapped by insufficient capital resources, inexperience abroad, and inadequate pla-

ning capacity.

DEG is now gearing itself (compensate for these problems and has underlined that it is Despite an increase of over prepared to take on an above-

Christian Democrats likely to oppose Craxi

THE ITALIAN Democrat leadership met last night to give its verdict on the bid by Sig. Bettino Craxi, the Socialist leader, to form a new administration.

If, as is widely expected, its enswer is no, then Italy's six-month-old government crisis looks less soluble than ever. The growing doubts about

Sig. Craxi's chances have been underlined by his announcement yesterday of the second successive postponement in 24 hours of his scheduled second round of talks with other parties, including the Christan Democrats

If last night's outcome amounts to a veto, Sig. Craxi will probably drop any further plans to meet his putative

Sandro Pertini, the President. At that point, the next move to resolve the crisis is anyone's

The only realistic ground for

doubt over the Christian Democrat attitude lies in the profound and open split within their ranks over the Craxi initiative. But the atmosphere between the long-ruling party and the

Socialists, whose co-operation is essential for any majority

Government to be formed, has been worsening by the hour. Last night, leading Socialists (though not Sig. Craxi) were tore Fanfani, the Senate presi-publicly castigating the Christ-ian Democrats, and warning that and Sig. Antonio Bisaglia, look refusal to countenance a Socialist Prime Minister for the first light time could drive the Socialist The

yesterday again came out Zaccagnini. adamantly against the Craxi ex-

party congress, and simply cannot afford to appear as the man who not only allowed the Presiter Berlinguer (the dency to slip into Socialist leader), than Gravi." nances, out the Prime Minister. A further, and less expected ship as well, for the first time blow to the Socialist leade in 34 years.

port back his failure to Sig. tion alongside the Communists, back into a new version of the The "left wing" of the CD, centre-left fermula of the 1960s, grouped around Sig. Benigno, but almost certainly more to Zaccagnini, the party secretary, pull the rug from beneath Sig.

The signs, however, are that periment, at any price.

Sig. Zaccagnini already faces the upper hand in the party an uphili battle at this autumn's controlling group. One of then yesterday summed up his feeling with the observation: "Better Berlinguer (the Communis:

But his opponents within the Visentini the Republican Buc party, in particular Sig. Amis- get Minister, cast polite bi pointed doubt in a newspape. and Sig. Antonio Bisaglia, look ability to be Prime Minister.
on Sig. Craxi in a more friendly Sig. Visentini was recently Sig. Visentini was recently front-runner for the task of

plans to meet his putative time could drive the Socialist Their motives are in part a forming a government, but Government partners, and re- Party (PSI) into formal opposi- genuine desire to lock the PSI turned the offer down. Giles Merritt examines Belgium's bid to revitalise its steel sector



appointed in Portugal
BY JIMMY BURNS IN LISBON PORTUGAL'S PRESENT am- tion will depend on bassador to UNESCO and a government she forms and the former Social Affairs, Dr. Maria type of programme she presents to Parliament in about two weeks' time. The programme will need to define the precise powers of her and conduct essential state Ministers

first and Europe's second, downfall of previous non-party governments. Dr. Pintassilgo has built a This will not be easy. The formidable reputation as a Socialist Party. Portugal's major parliamentary grouping. has already insisted that the Before becoming a diplomat, future government freeze all exponent controversial activity, particu-Roman larly in collectivised agrarian

of contemporary Roman Catholic thought, and was in-It is, nevertheless, insisting cation. She also led a study that it raise administrative group which reported on social prices, including fuel and trans-Dr. Pintassilgo, a graduate in-dustrial chemist like Mrs. Mar-garet Thatcher, the UK leader, port, to make present budget allocations compatible with the target for the public-sector deficit.

was also formerly head of a textile plant and editor of Dr. Pintassilgo's government, Industry," a specialised maga- Portugal's 11th since the 1974 revolution, will also be expected to clarify its position on the Her task will be, essentially, a caretaker one, but her quali- presently interrupted negotiations with the International ties will be tested to the full Monetary Fund, as well as on a in the difficult weeks ahead. The political parties have number of wage demands which have played their part in creatinitially accepted her appoint will emerge before the autumn ing the uncertainty that still ment, although their final posi- election.

THE DEGREE to which the Belgian steel industry restruc-tures itself, say officials at the European Commission Brussels, may well be crucial to the success or failure of the overall Community plan for streamlining the sector and making it internationally competitive by 1983.

The lingering suspicion is that Belgium will fail to make avoid affairs. She becomes Portugal's ambiguity which has led to the the massive rationalisations needed, and will thus upset the delicate political balance now being established between the EEC steel-producing countries over which should bear what share of the brunt of restructuring.

Belgium's steelmaking capacity is disproportionately high: at 19.5m tonnes yearly it is not far off Britain's total 1978 output of 20.3m tonnes. Yet the signs of that capacity's being reduced to the Community's targeted average figure are few. The aim is that capacities should be reduced to a level where actual production is only 15 per cent lower than potential output, but Belgium's output of 12.6m tonnes last year means that its steel industry would have to undergo cruel surgery. Belgium's volatile politics have played their part in creatsteal plant which Luxembourg's ARBED operates in Flemish pressed industrial base of Francophone, Wallonia, Dutchspeaking Flanders is resentful

of the funds poured into the

seemingly bottomless hole of

Wallonia, even though worsen-

ing unemployment there is doing nothing to ease political

The result has been that the Belgian State's much heralded BFrs 60bn (about £1bn) rescue plan has progressed little further than the drawing board. The Belgian Government has, however, embarked on the preliminary financial operation that will inject massive doses of capital into the industry. It has just taken a 28.9 per cent stake in Liège-based Cockerill, the country's largest steelmaker, which last year lost BFrs 7.5bn on sales of BFrs52bn, and is now taking steps to acquire a 46.33 per cent holding in

Hainaut-Sambre, which in a

complicated shareholding re-

shuffle is to become the domi-

nant company in the Charleroi

The snag is that although the financial spring cleaning should signal the start of a five-year plan that has been adopted. But wages are second only to investment programme in the the consultants found them. Holland, so that the Belgian Liege and Charleroi isteel in-selves analysing an industry steel industry has apparently dustries, there remains one last made up of unusual paradoxes. begun to price itself out of its malitimal stumbling him. That Barbare the first paradox was own domestic market. Exportpolitical stumbling block. Last Perhaps the first paradox was own domestic market. Exportmonth. Cockerill's chairman, that the start of the McKinsey oriented Belgian steel makers Baron Clerdent, announced the study coincided with a sudden had nevertheless been able to launch of the BFr 26bn modernisation plan, which comindustry's somewhat ad hoc pares very favourably with 1978 restructuring effort. Political

Politics bedevil restructuring plan steel sector. With the exception country's steelmakers' associa- Walloon split dogged the of the motion Sidmer sheet tion, the Groupement des Hauts industry then as now, and in Ghent, the Belgian steel com- ing committee that is to over- steel workers were shed, and panies are the core of the hard- see restructuring is appointed, that was largely through all investment projects remain natural wastage.

The Groupement des Hauts contradictions that are the most Fourneaux urged an end to the evident. Belgium's steel prothe effort aimed at revitalising Belgian steel has to date been

had begun to plan a major cost-cutting and rationalisation cutting and Production had fallen from 16m tonnes in 1974 to 11.3m tonnes, which meant thatinstead of operating at just 10 per cent under full capacity, that figure had fallen to 40 per cent. Employment in the inperiod from 53,400 to 46,200 and the Government had brought in a team of McKinsey consultants to draw up a syn-

the basis of the restructuring against 7.7 the year before, But study coincided with a sudden had nevertheless been able to duet, mix, and the balance hiccough in the Belgian steel rely on selling 30 per cent of between long and flat rolled

Fourneaux et Acieries Belges, 1978 the rationalisation drive to point out that until the steer- had been slow so that only 1,200

delays that have bedevilled the ducers enjoy an extraordinarily Government's appointment of high productivity rate. At 212 tonnes per man-year, the fication et Controle, and warned country easily outstrips the that Belgium's steel restructur- reputedly efficient West German ing programme now has to industry, where the figure is catch up on two lost years. For only 192 tonnes. Yet a close look at the plant efficiency of the industry showed that in some operations Belgian proa stop-go affair.

In 1977 the industry, driven ducers were coping with outby the cold winds of recession, moded equipment, and that in both Liege and Charleroi, the poor siting of 19th century steel complexes pose major problems for modernisation. Coking plant and blast furnaces were singled out for drastic investment, while overall, McKinsey concluded that Belgium has to make the same giant strides in restructuring as France, the UK and some steel industry.

Belgian productivity is conchronised programme for saving stantly improving, so that last Belgian steel. year a record 6.5 man hours The McKinsey report forms per tonne of steel was reached, production at home, yet that items is generally satisfactory, figure has lately been cut in two although the steel industry has to nearer 15 per cent. Belgian been trifficised for its failure to ing the uncertainty that still investments of a mere pressures generated by the to nearer 15 per cent. Belgian been trifficised for its failure to surrounds the future of the BFr 1.8bn. But it fell to the country's perennial Flemish-industry now imports more than diversity down stream into



The Sidmar steelworks on the Ghent canal.

half its steel requirements. So far, the only important restructuring move in Belgium's 1979-83 plan has been the decision to close the Marchienne division in Charleroi, which was Cockerill's chief producer of long products. But that subtracts only 1.2m tonnes from Beiglan capacity. Belgium's pro-

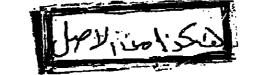
fabrication activities. The real uncertainty that still remains is the scale of the Belgian streamlining, and the speed with which it will be pu into effect.
The latter remains a politica problem, while the answer to the former question is contained

in secret sections of the ye unpublished McKinsey report; PRANCIAL TIMES published daily except Sindays and horidays. LkS are secured to the secure sec

2 Feb Justin

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Lan ash



Israeli Cabinet dispute shatters public confidence

BY DAVID LENNON IN TEL AV

ISRAEL'S CABINET was plunged this week into the worst domestic crisis it bas faced in two years of Government after it failed to back the Finance Minister's plan to abolish subsidies on basic consumer commodities

Mr. Simcha Erlich, the Finance Minister, tendered his resignation and was only stopped from leaving when Mr. Menahem Begin, the Prime Minister, said he, too, would quit if Mr. Erlich went.

The Deputy Finance Minister announced he was 'suspending' himself and going on holiday, while two senior Treasury officials resigned. Others may fol-

The crisis which has shattered public confidence in the Government developed on Tuesday night when an emergency Cabinet meeting was called in

With the economy beginning ie overheat and inflation running at 80 per cent, the Cabinet was asked to approve the aboli-tion of subsidies which would save the Treasury some 1f6,000m (f104m)) this year. That is in line with the Government policy of liberalising the

But when the Ministers heard coalition parties called for can survive another crisis like that this would mean the doub-heads to roll. The opposition that which rocked it this week.

Labour Party, which a few weeks ago was backing away from the prospect of an early election, has now demanded that elections should be held mmediately.

The colourless Finance Minister has been the butt of public criticism in the past, but this time at least half the MPs of his Liberal Party have joined in calls for his resignation.

Mr. Begin may have forestalled this possibility by his tried and tested manoeuvre of offering to resign himself, but it is unlikely that the Government can complete the remaining two years of its term without a

major reshuffle.
Public support which the
Government earned for its handling of the peace negotiations with Egypt has been eroded by its erratic handling of domestic issues. Recent public opinion polls show it falling behind the Labour Party and likely to lose power if elections were held now.

The Government yesterday announced a 40 per cent increase in the price of petrol and a 55 per cent increase in meat prices and has promised to reduce subsidies on a gradual basis. But the damage has been done and it is doubtful if the Government

The Moslem community has its own communal organisations, which have been found responsible for inciting Moslems where they are in a majority. Their actions are probably a defensive reaction to Hindu militancy
Although RSS leaders call

their organisation a nonpolitical, cultural organisation its true character is seen in its military-style drill sessions and periodic indoctrination of its youthful members. Although the leaders are elderly men, it recruits the young, mainly in the Hindi-speaking northern belt.

The ability of the RSS to infiltrate key organisations such as Government employees unions and police societies have made it feared. Its numbers are unknown but could be several

ing the country's pre-Islamic RSS member would think of the present head of the organisa-

Hindu extremism

The group which led to Desai's downfall

By K. K. Sharma in New Delhi

FASCIST, anti-democratic and communal—that is the description of the Rashtriya Swayamsewak Sangh (RSS) given recently by one of its leading spponents. That, indeed, is the popular impression about the RSS, whose links with the Jana Sangh faction in Mr. Morarii Desai's Janata Party are at the root of the present Indian political crisis.

Because the tightly knit RSS helped the Jana Sangh become the best-organised faction in the Janata, it was seen as posing a threat to the less well-organised groups in the coalition. This prompted a campaign against "dual membership" of the two organisations which has now led to Janata's disintegration and Mr. Desai's downfall.

Current denunciations of the RSS are based on the belief that it is behind the growing number of communal communal clashes in the northern region. particularly in the states of Uttar Pradesh and Bihar where the bulk of the vulnerable Moslem community, estimated at just over 80m, is concentrated.

The RSS is primarily concerned with uniting all Hindus, regardless of caste or regional considerations and with reviv-Hindu culture. Its strength lies in its impressive discipline. No challenging the line handed down from Bala Saheb Deoras,

David Dodwell previews the Geneva conference on Indo-China refugees

More cash and commitment sought

refugees from Vietnam at the have died trying to leave. two-day international conference of refugees from Indo-China South China Sea who have been

that opens in Geneva today. They will also be putting presing numbers of refugees in sure on Vietnam to slow down the exodus. Hanoi has agreed serious strain. to attend the conference, but it has also threatened to walk out if it becomes the focus of attack.

The Geneva meeting, at which some 70 nations will be present was suggested by Mrs Margaret Thatcher, the British Prime Minister. Her proposal sub-sequently had strong backing from the EEC and the countries of South-East Asia who have most seriously felt the strain of a massive flight of mainly ethnic Chinese. Vietnam has tried to limit the agenda of the conference to humanitarian

Around 380,000 Indo-Chinese refugees are now in camps around South-East Asia. Of these, about 165,000 have fled overland from Laos and Kampuchea into Thailand. Of the remainder—the "boat" refugees from Vietnam—73,500 are in Malaysia, 43,000 in Indonesia and 66,000 in Hong Kong.

Three significant develop-

ments have precipitated today's meeting. First, the true scale of the tragedy is only now becoming clear. Second, the countries of "first asylum" in South-East Asia refuse any longer to bear the brunt of problems created by the exodus. Third, the United Nations High Commission for Refugees (UNHCR) is running out of cash to deal with the numbers

fleeing Indo-China. It has become clear that a huge proportion of those fleeing Vietnam by boat are never reaching land. A West German spokesman in Hong Kong estimates that 70 per cent of

WESTERN NATIONS will be those leaving Vietnamese shores agreed to close their doors to outlining their plans to provide drown at sea. If this is correct, newly arrived refugees. permanent homes for more then around 500,000 refugees. Despite international critical contractions agreed to close their doors to outlining their plans to provide drown at sea. If this is correct, newly arrived refugees.

cism, Malaysia has stuck to its The countries around the guns. Over 18,000 refugees have been towed out to sea in 85 forced to offer refuge to increas- boats in the past month.

The crisis shortage of cash at the UN Righ Commission for recent months have been under Refugees has only recently and Canada has agreed to in-The Malaysian Government become apparent, but it is shocked the western powers understood that on June 1, only 3,000 per month.

2024		ACCEPTED CON CUT	EL CHENT
INDO-CH	INA REFUGEES A Number accepted	ACCEPTED FOR SETT	Number per
ountry	(1,000)	(1,000 sq m)	1,000 sq m
S. nina iwan ance ustralia anada ong Kong ermany itain	238 235 1 52 24 16.4 4.8 3.9 3.7	3,614 3,706 13.8 213 2,968 3,560 0.4 96.0 94.2	66 63 72 243 8.0 4.6 12,000 41 39
alaysia vitzerland elgium ew Zealand thers	2.1 1.7 1.3 1.1 3.95	128 15.9 11.8 104 489	16 107 107 11 159.2

into action when it declared on \$3m was left in the fund to cope June 18 that no more Viet- with refugees in South east namese boat people would be Asia. The High Commission allowed to land on Malaysian soil unless it received commit-camps in Malaysia and Indoments from the West that the nesia, and for a third of those 73,500 refugees already in be Malaysian camps would accepted elsewhere.

Malaysia has been widely criticised for its hard-line action, but it has proved remarkably effective.

When leaders of the Association of South-east Asian Nations (ASEAN), representing Thai-land, Malaysia, Singapore, Iand. Indonesia and the Philippines, met in Bali in late June, Malaysia won active support. Both Thailand and Indonesia

pays for the cost of all refugee in Hong Kong. It also contri-butes substantially to the cost of feeding and keeping refugees in Thailand.

(including more than 95,000 boat people)

By June, it became clear that running costs had grown to nations will press this political around \$10m a month and that the shortfall by December

would be over \$50m. conference will be a pledging conference, where nations boost both their intake of refugees and their cash contributions to the High Commis-

acted. The U.S. has agreed to double its refugee intake from 7,000 a month to 14,000 a month. This week the British Government agreed to accept a further 10.000 refugees. Australia is to take a further 10,500 in addition to the 24,000 already accepted, crease its quota from 1,000 to

Many other countries can be expected to detail new commitments during the course of the two-day meeting. China, for example, has made an undefined commitment to take more refugees. It is estimated that more than 230,000 Vietnamese of Chinese ethnic origin (most of them from the north of Vietnam) have already fled into southern China.

Extra cash has also been promised. The U.S. is boosting its refugee budget by \$150m to around \$500m, while Japan, which has so far refused to absorb significant numbers of refugees, has committed itself to financing half of the High Commission's budget for Indo-Chinese refugees.

Proposals to establish more transit camps around South-east Asia are likely to be relegated for consideration at a later stage. Moreover all delegates agree that a true solution to the problem will only be found if moderate its persecution of its ethnic Chinese minority.

It is unclear how far western point at the Geneva meeting. They may reserve their main denunciation of Vietnam for a First and foremost, today's full session of the UN General Assembly or the Security Council. The Vietnamese delegation in Geneva can nevertheless expect considerable criti-

Disunity at the OAU summit

Mr. Simena Erlich:

threatened to resign

ling of the price of items like milk and bread, they refused to approve the plan. The meeting ended with no decision being

The deteriorating state of the economy had already shaken the public's faith in the Govern-

ment, and this latest display of

indecisiveness deepened public

Not only the entire opposi-

tion, but many members of the

dismay.

of Tanzania and Uganda has tim in the dock and bot the broken every unwritten rule of aggressor." the organisation of African Unity. For the summit always tries to make the most of whatever unity exists and prefers never to talk in public about areas of disagreement.

in Uganda has highlighted the difficulties faced by the OAU in doing anything positive to re- to influence the course of solve potential conflicts. The events. row at the summit started when President Jaafar Numairi of Sudan stated as chairman he drafting

BITTER EXCHANGES between floor of the conference that heads of state over the issue Sudan wanted to put "the vic-

Later exchanges between Obasanjo of Nigeria blew the issue wide open bringing the session to a close. It was an The dispute over who did what extraordinary event which I Uganda has highlighted the demonstrated most effectively ifficulties faced by the OAU in how little power the OAU has

The normal procedure for a summit meeting is that a drafting committee takes Sudan stated as chairman he drafting committee takes had been unable to condemn any member state for aggression. He would have had to call mitted a proposal But the drafting committee's work as often the bitter argument which heavily altered by the Council followed was largely provoked by President Julius Nyerere of weeks before the heads of states Tanazania's statement from the meeting starts.

The ministers' job is to produce a resolution to which all the OAU will agree. But the final resloution is often too innocuous to have much impact. President Godfrey Binaisa of At the present summit the Uganda and President Olusegun issues were expected to be: the Middle East, Southern Africa, Tanzania-Uganda, Chad and the Western Sahara. Apart from Tanazania and Uganda they all look like ending in mild compromise resolutions.

> judge the OAU on the strength of its public displays. Much of the work is carried out in private session or in talks between heads of state who can meet privately in the accommodation provided for them without the usual attendant publicity. Nonetheless, there is a grow ing feeling among members that

the Organisation needs more

Military police chief to step down in Iran His defiance of a Government ment reshuffle in the next few pending the Qom meetings.

TEHRAN—General Said Amir Rahimi, Iran's controversial military police chief, is due to announce his resignation later this week as part of a deal-between the Government and the ruling clergy to avoid a full scale cabinet crisis.

General Rahimi refused yesterday to confirm he was about to step down, but it was understood that he would announce his resignation at a news conference on Saturday.

decision to dismiss him 10 days ago sparked a military and political crisis. Ayatollah Ruhollah Khomeini (the unofficial head of state) overturned the dismissal order, a move which highlighted the Government's lack independent authority.

Meetings between cabinet nesday and a marathon cabinet meeting yesterday could be the was rejected by the government seeking prelude to an orderly Govern- of Premier Mehdi Bazargan, Reuter

General Rahimi is understood

to have agreed to a request from ago after he told a news con-Ayatollah Khomeini to step ference there was a plot afoot down in the interests of national unity, but added that he might him and weaken the revolution. be appointed to a senior post

in the near future.

The man who signed his dismembers and senior clergy in the holy city of Qom on Wed-Taqi Ajahi, tendered his resignation earlier this week but it where Kurds and Arabs are

The Government decided to dismiss General Rahimi 10 days among senior officers to oust

He has taken a hard line on violence in Iran's ethnic violence in Iran's ethnic provinces and has called on the authorities to appoint him commander of Iran's western front seeking autonomy.

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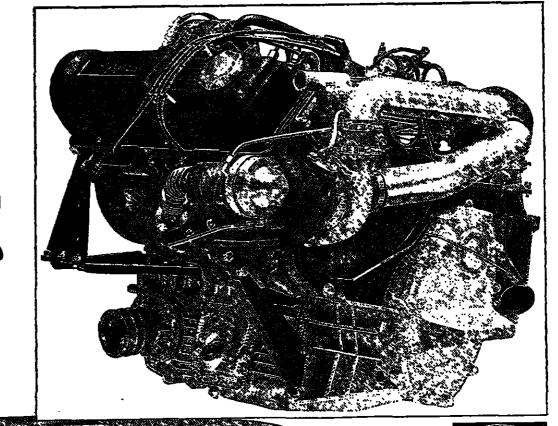
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Carter administration shake-up

Aides dismiss market impact

gestions that President Carter from taking action that he needs should have handled the re- to take o set his Administration organisation of his staff with greater attention tothe implications for financial markets and

tial adviser, questioned about of the dollar on domestic monethe reaction of the world finan-ties community said that he was ling, the Federal Reserve cial community said that he was not certain the dollar was being driven down" as a result. "We cannot run our business

In atelevision interview, Mr. Jody Powell, the President's Press Secretary, said that the stock market and other institutions had a history of overreacting to major changes in

House votes

to slash

\$1.025bn.

Vietnam.

International

foreign aid

Administration has asked for

The House voted to cut 2 per cent from U.S. support to the

Assolation, the World Bank

affiliate that aids the poorest

Inter American Development

It also voted to prevent U.S.

contributions to the Inter-national Development Associa-

tion from being used to aid

a \$7.9bn foreign aid appropria-

tions Bill. The Administration

is expected to try to restore

the cuts when the Bill reaches

Ixtoc oil slick

reaches shore

Petrol reserves

improve slightly

By David Lascelles in New York

THE LATEST petrol figures

The votes were taken on

Development

amid continued uncertainty in U.S. financial markets about the Mr. Robert Strauss, Presiden- impact of the recent weakness intervened in the short-term money markets to increase market liquidity, with federal funds in our country just to satisfy trading at 10t per cent. This foreign capital." that, in spite of the interna-tional upheavals, official mone-

policy reasons, either tighten its monetary policy through in proper shape."

The officials comments came

allowing a rise in the target
Federal Fund rate, or raise the discount rate.

As one economist pointed out, with so many officials in Washington apparently "off the job," the Fed is the only agency which can act decisively and quickly should the pressure on the dollar continue to

build up. So far, foreign exchange traders in New York are giving the central bank credit for handling the recent weakness tary policy is unchanged.

Nevertheless Wall Street is not discounting the possibility that if the dollar remains under the dollar weakness now and the problems replaced.

out that the Fed now has much stronger resources with which to intervene and has shown it is willing to use them.

So far the dollar's weakness had not resulted in the same market reaction as in October and speculation against the dollar had not been as broadly based. Yesterday

morning. response to a better showing by the currency earlier in the day, New York's bond and money markets were firmer. However there is still considerable uneasiness about the dollar, in part related to t he possibility that Mr. Michael Blumenthal Secretary, could be

Sandinistas take Managua

MANAGUA, the Nicaraguan capital, fell to Sandinista guerrilla forces soon after dawn vesterday and, according to U.S. officials, talks later started between a five-man left-wing junta and National Guard of Representatives voted yesterleaders on a transfer of power. day to slash the U.S. contribu-tion to the World Bank to \$163m The officials said a party including representatives of the in the next financial year. The

five-man junta had flown to Managua from Costa Rica. The party had also included Sr. Emilio Jiminez, the Dominican Republic's Foreign Minister and chairman of acting Organisation of American States, and prominent clergy. counries, and 2 per cent from the U.S. contribution to the

The guerrillas broke into the fortified presidential office in central Managua, last stronghold of the Somoza forces, soon after dawn. Hundreds of National Guards-

men threw down their weapons at and surrendered after the guerrillas stormed their strong-hold.

Earlier, hundreds of guards in civilian clothes had been seen fleeing from Managua. some commondeering aircraft to Guatemala on Wednesday.



Dr. Francisco Urcuyo

Dr. Francisco Urcuyo. who became interim Head of State after his predecessor, General Anastasio Somoza, fled to the United States on Tuesday, was reported to have flown Dr. Urcuyo had been expected to hold office only briefly until power could be handed over to the Sandinistas. But on Tuesday he abruptly announced he intended to stay on in a move which angered the U.S. A local radio station in Managua was taken over by the guerrillas yesterday and began

broadcasting revolutionary music and political manifestos. Mexico has recognised the junta as the legitimate government of Nicaragua and Sandi-nista supporters have begun seizing Nicaraguan embassies in Europe without opposition from Somoza appointees.

In Washington ten demon strators seized the second floor of the Nicaraguan Embassy yesterday but were quickly overpowered by police. A Roman Catholic nun who

was visiting the embassy at the time said one of the demonstra-tors had told her: "We are taking this embassy for the nev

Seven nuclear stations reopen

BY DAVID FISHLOCK, SCIENCE EDITOR

MEXICO CITY — A 24-mile long nuclear stations in the U.S. of oil slick has been washed up on the shores of Veracruz state the same type as the Three Mile Island 2 unit seriously damaged after drifting from the oil well in an accident in March have Lxtoc I which blew out and been brought back into service caught fire last month. with the approval of the U.S. The oil was washed ashore

nuclear inspectors. near Tuxpan, 150 miles north of But an eighth station, Three Veracruz city, and 240 miles Mile Island 1-the twin of the from the oil well in the Bay of damaged reactor-may not be The Mexican Government oil

until late next year. company, Pemex, has been It will take that long, the battling with oil slicks since the nuclear inspectors believe, to June 4. Ixtoc negotiate all the steps in the end of the year. I has been spewing at the rate licensing procedure laid down of 30,000 barrels a day and only half the oil is burning. mission (NRC).

shut late in April, following active water.

or everyone living within the 25 pressure from the chief nuclear inspector, who was asking the start remotely-controlled "wash- for the next 20 years."

tors to be retained in emergency Rather than wait for the NRC

formally to revoke their operat-

companies involved voluntarily shut down their plants. A, plan worked out by allowed to generate power again sultants, for the owners of the

end of the year.

But first, the owners, General vania, on behalf of everyone by the Nuclear Regulatory Com-mission (NRC).

Public Utilities, must find a way living within 25 miles of the of removing and storing over reactor. The suit specifically

The other seven stations were 500,000 gallons of highly-radio- asks for medical examination of

SEVEN Babcock and Wilcox NRC to close them for modifica- ing procedures to reduce the nuclear stations in the U.S. of tions and to allow their opera- radiation inside the plant to levels where workmen will be permitted to enter.

The total cost of the repair job.

including replacement of the ing licences, the four electricity reactor core, has been estimated at \$400m. The plant is insured for \$300m. In addition ,the utility is faced

Bechtel, the engineering consultants, for the owners of the According to the U.S. newsdamaged Three Mile Island 2 letter Nuclebnics Week, a conreactor suggests that workmen solidated class action complaint could enter the reactor by the has been filed in the U.S. district

Airline fined over maintenance

BY JOHN WYLES IN NEW YORK

issued by the American Petroleum Institute, the oil industry trade group, show a sligh; improvement in petrol stocks in the week ended July THE Federal Aviation Adminis- responsibilities for ensuring total of 135 flights when the tration has fined Pacific South- that maintenance procedures jets had cracks in forgings in west Airlines \$385,000 for viola- are adhered to. Although a their main landing gear. The 13 in spite of a slight drop in production from the refineries. tion of maintenance procedures final determination of the FAA has told the airline that Average daily production was in what appears to be a tougher Chicago crash has not yet been its alleged violations pointed to 7.1m barrels, down from 7.4m approach to the issue in the made, the FAA has already a pattern of deferred maintenthe week before, but stocks rose wake of the disaster at Chicago. There will be considerable from 232.6m barrels to 233.2m. This compared well with the sympathy with the airline's Airlines were a major factor. 236.2m barrels in stock in the angry complaint that it was The fine levied against Pacific Southwest said it same week last year.

Imports of crude oil and arbitrary manner to demonmum that can be applied by Transportation Safety Board petroleum products totalled strate a new get-tough policy law, which limits the penalty and that it could and would appeal to the National petroleum products totalled strate a new get-tough policy law, which limits the penalty and that it could and would be to the total petroleum.

8.4m barrels a day, higher than of the FAA." While Pacific Southwest was the 8.2m barrel limit set by President Carter. But it was obviously concerned about the unusually high (400,000 above impact on its public image, the total of a week earlier) and it occurred in the week before the new limit was imposed.

The was obviously concerned about the covered about the tenance regulations on Boeing which it had been charged but the number in each airline operated two aircraft in category brought the total it is exercising to the full its. January and February for a infractions to 385.

indicated that faulty mainten ance and a tendency to fly air-ance procedures at American craft in an "unairworthy"

condition.

to \$1,000 per violation. "refute each violation." It
According to the FAA it discovered 385 violations of mainten categories of violation with

THE JARI PROJECT IN BRAZIL

Brasilia decides on intervention

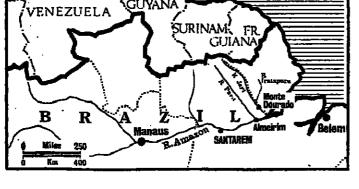
THE BRAZILIAN GOVERN-MENT'S decision to intervene in the administration of the Jari mining, forestry and agri-cultural project reflects a change in attitude from previous governments, where the pro-ject's organisers were left alone to develop what has been called a "state within a state" in the Amazon region. The two-day visit of Mr. Mario

Andreazza, the Interior Minister, to Jari also showed marked differences from those of previous Brazilian officials. Presidents Giuseppe Medici and Ernesto Geisel followed an itinerary prepared by the management, whereas Sr. Andreazza took a party of Brazilian journalists with him and made a point of seeing what he wanted

He visited the shanty town of Beiradao, which has grown up on the opposite side of the Jari river from the project's administrative centre, Monte Dourado. Beiradao's inhabitants, who live project. without the minimum infra-structure necessary for health gained control of the enterprise, and welfare, form a useful renamed it Jari Florestal e in the region's ecosystem, since in the region's ecosystem, since majority holding in Jari to a without the minimum infraand welfare, form a useful renamed it Jari Florestal e in the region's ecosystem, since majority holding in Jari to a supplement to Monte Dourado's Agropecuaria, and in 1967 began the Gmelina forest is more Swiss cancer research foundations.

Jari had its beginnings in 1948, when local landlord The figure will increase to have been planted.

"Coronel" Jose Julio sold the \$1.5bn to achieve the objectives Another Jari company, Ludwig is already 80, the territory which became the of the project. The woodpulp Cadam, is developing production Brazilian authorities are seek-



went to New York to seek potential investors in Brazil. One of them was Mr. Daniel Ludwig, who showed interest in Jari as a site for a woodpulp

ject, estimated at \$750m so far. Some 70,000 hectares of Gmelina of such an action is being

Jari Comercio e Navegacao Japan and floated up the Company. After Brazil's military Amazon, is designed to produce coup in 1964 Sr Roberto Campos, 750 tons of pulp a day, or 750 tons of pulp a day, or National Institute of Colonizathen Minister of Planning (and 260,000 tons annually All this tion and Agrarian Reform now Ambassador to Britain) will be exported. (INCRA) as containing some

Jari introduced an Asian tree, spread to 1.6m hectares, and Gmelina Arborea, converting now lays claim to a further the heterogenous Amazonian 1.1m hectares. If this claim forest into a homogenous one. Sr. Luis Antonio de Oliveira, spill over into Venezuela. The same year Mr. Ludwig the project director, claims that heavy investment in the pro- efficient in its oxygen use, tion on his death. The legality

kaolin, white clay used in ceramics and special papers. Again this will be for export.

The aspects of the project which prompted Sr. Andreazza's visit were, he stressed. administrative rather than technical. Jari runs its own police force, schools, hospitals, port and airport, with no control by the Brazilian authorities. A working party has been set up to impose a Brazilian adminis-trative structure within two months, and the armed forces will shortly establish a presence

Another problem is the boundary of the project. While Jari is registered with the To produce the wood pulp, 600,000 hectares, it has already were upheld, Jari would actually

Japan wins back major Chinese contracts

By Charles Smith, Far East Editor in Tokyo

CHINA HAS validated all but one of 22 plant contracts signed by Japan towards the end of 1978 and suspended in February. The exception is a Y15bn (£30m) petrochemical plant contract signed by Toyo Engineering Company and Mitsui Bussan, on which negotiations continue. The reason for delay on the

Toyo contract is that Peking's

municipal government is in-volved in the downstream portion of the complex to which the plant belongs and has yet to decide how it will finance its involvement in the scheme. Japanese companies which had signed plant contracts in China received telex messages last February from the state trading companies which were to have bought the plant, in-forming them that import licences were not available. from the Chinese Ministry of Foreign Trade and that implementation of the contracts was accordingly being suspended.

The value of the contracts involved was put at \$2.60n, in-cluding the \$2bn Paoshan steel works for which Nippon Steel Corporation is the main contractor. China has reinstated the sus

pended contracts after completing negotiations with Nippon Steel on a defered payment formula for the Paoshan plant (in place of the cash payment terms laid down in the original con-

The formula provides for a 10 per cent down payment to be followed by instalment payments spread over five years. The interest of 7.25 per cent is in line with the OECD "gentlemen's agreement" on the deferred payment financing of plant sold to developing companies.

Payments for the Paoshan plant will be made half in yen and half in dollars, splitting the exchange risk involved in deferring payments over five years. The remaining suspended plant contracts have been revali-

dated by China on the original cash payment terms, somewhat to the surprise of Japanese exporters who anticipated requests from China for some form of credit financing.

This has been made possible because of the conclusion of a \$2bn syndicated loan agreement between China and Japanese banks (last May).

A minor but significant change in China's handling of the suspended plant contracts is that the majority have now been included within the terms of the eight-year frade agreement signed between China and Japan last year whereas previously number of contracts were outside the terms of the agree-

China has the option to include or exclude plant contracts from the agreement (under which it is pledged to buy U.S.\$8bn worth of Japanese plant over an eight-year period up to 1985). Inclusion of more contracts within the long term trade agreement reduces China's obligation to place further contract orders in order to fill its side of the agreement.

Japan to accept price increases or to make penalty payments on any of the suspended contracts despite the fact that the four-month delay in the implementation of the contracts has imposed a financial burden on the Japanese companies con-

Negotiations on further new plant contracts are understood to be moving slowly, in part because China now wishes to steer Japanese companies into joint ventures in preference to direct plant sales. Japan is studying the new

Chinese law on the establishment of joint ventures with foreign partners but most companies appear unenthusiastic about it. One point made by China trade specialists in Tokyo is that the law exists in something of a vacuum given the absence of supporting patent or company legislation.

Japan's trade with China grew by 56.3 per cent during the first six months of 1979 hitting a record level of \$3.33bn. Exports to China rose 66.2 per cent to \$2bn while imports from China increased 42.7 per cent.

Export thrust key to new U.S. Trade Department

BY DAVID BUCHAN IN WASHINGTON

terday proposed a sweeping tion. reorganisation of international Bo Strauss, and creates a renamed and to give a higher priority to and revitalised Department of trade. Trade and Commerce A key change would switch

Both Mr. Strauss and Mr. trade functions within the James McIntyre, the Budget Federal Government that Director, presenting the proupgrades further the policy role posals yesterday to the Press. of the White House trade representative, currently Mr. Robert to improve the U.S. export thrust Finance Committee and in it

The proposals bore the mark of hasty preparation Mr. Strauss said it had not yet been responsibility for enforcing U.S. anti-dumping and countervalling decided whether they would be duty laws from the Treasury presented as a Bill to Congress of the accused by donesite or implemented by Mr. Carter's industry of being law and and dumping and countervaling decided as a Bill to Congress often accused by domestic or implemented by Mr. Carter's industry of being lax and dia executive authority. The haste tory to the renamed Commerce was the pressing need to unlock the GATT trade legislation in But Administration officials the Senate Finance Committee, insisted this was not a profession of the members of which tionist move, but a step towards last week insisted they would

THE Carter Administration yes- greater efficiency and co-ordina- hold the GATT package hostage until the Administration unveiled its trade reorganisatio

proposals. Mr. Strauss was confident terday the proposals would fin House of Representative though he conceded it might p satisfy some Senators with wanted a totally new Trac Department created

scratch. · · The GATT legislation h: aiready swept through the Hou-by a big majority, and M Strauss, who is shortly to lear his present job to take on it current Middle East talk expected a Senate vote on it Geneva agreements next week

Ford to spend \$76m in Argentina

BY JOHN WYLES IN NEW YORK

FORD MOTOR COMPANY plans to consolidate its dominance of the car and truck market in Argentina by spending \$76m over the next two years on regoling and expanding production Ford's development plan comes at a time when Chrysler Corporation, which holds 13.3 per cent of the Argentinian car market, and Volkswagen are discussing

possible joint ventures in the country. General Motors closed its operations last year because it found the market too competitive to yield

reasonable profits.

In the first half of this year, Ford took 49 per cent of the Argentinian truck market and 30 per cent of the car market with combined sales of 40,800 units. Its car sales were well ahead of its

nearest rivals, Ika-Renault and Flat, which both held Is

Ford now plans to speak \$40m on expanding overall production capacity with the balance of the investment ear marked for doubling the size of the company's parts ware house and for retooling some vehicle lines. Ford sells three models of passenger cars and several truck sizes.

WEST GERMAN OIL IMPORTS

Iran resumes role of top supplies

BY ROGER BOYES IN SONN

WEST GERMANY imported (4m barrels a day) which is Germany—8.3m tonnes more oil from Iran in June than however still significantly below pared with 3.9m tonnes. at any time since the revolution which overthrew the Shah, tion which overthrew the Shah.

Deutsche Shell has also doubled its oil exports in a according to figures issued pointed out that much of this first half with over 5m tonb Ministry.

Iran exported 1.6m tonnes of oil to West Germany and thus again assumes the role of Bonn's primary supplier of crade. Before the Iranian crisis, West Germany imported about 17m tonnes annually from Teheran. But Iranian crude imports have lagged throughout the year and in March reached a low of 300,000 tonnes.

The latest increase at least partly reflects higher production tion in Iran is now understood position, recorded the most seriously depleted during to be approximately 17m tonnes dramatic increase in exports to first six months of the year. tion in Iran is now understood

the pre-crisis level of 23m to 24m tonnes.

yesterday by the Economics extra production has ended up compared with 2.8m tonnes on the Rotterdam spot market so that Iranian oil is now extremely expensive. The West Germans paid on average 18 per cent more for crude imports. (not just from Iran) during June compared with June 1978. In the first half of the year, Saudi Arabia proved to be the largest exporter of oil to West Germany with 8.8m tonnes compared with 6.7m tonnes in the first six months of 1978. Libya. second with 8.4m tonnes against 7.6m tonnes in the first levels in Iran. Monthly produc- half of 1978. Nigeria, in third

Britain, Germany's four largest supplier, also more tha the first half last year. It's

was in seventh position. The figures indicate, as Government has said, that the is no shortfall problem. With is no shortfall problem. Witotal oil imports at 53m tom in the first half compared wit 44m tonnes in 1978 and demar up by only about 2 per cer West Germany appears to in a fairly stable position. The problem will be how for the West German oil companie can re-build their stocks I domestic heating oil during second half, as these we seriously depleted during t

\$30m bond issue seen in Jordan's airliner plans

complete the financing package years from delivery. ide of the agreement.

China has not been asked by five wide-bodied jets.

\$250m to buy the five new jets. the financing package. If an all-American jet is bought, such as the DC-10 or Boeing would come from a J

ALIA, THE STATE-OWNED \$200m cost would be provided Jordanian airline, is likely to by the French, West German float a Jordanian dinar- and British state export credit denominated local bond issue institutions at a blended interest worth about \$30m (£14m) to rate of 8.45 per cent over 10 If the Lockheed Tristar chosen, it would have Rolls-

Mr. Fahed Fanek, Alia's vice- Royce engines and would cost president for finance, said that \$250m for five planes, with both depending on which plane is the Ex-Im Bank and the British chosen, Alia will need \$200m. ECGD providing 85 per cent of The balance of 15 per cent would come from a Jordanian

767, the Export-Import Bank bond issue that would probably would provide 85 per cent of the be managed by the Arab \$200m cost at 8.75 per cent for Finance Corporation of Jordan, 10 years after delivery according to Mr. Fanek, at a 10 years after delivery according to Mr. Fanck, at a If the European Airbus A-310 fixed interest rate of around 8 is chosen, 80 per cent of the per cent.

Calcutta hit by dispute

BY P. C. MAHANTI IN CALCUITA

THE PORT of Calcutta remains the stevedores would crase work paralysed as stevedores refuse; altogether. to employ labour belonging to Under the present system the the Dock Labour Board stevedores can hire labour for the Dock Labour Board.

stevedores in recent weeks. port. But only the Dock Labour.
The local stevedores associble Board workers do loading and tion served notice recently on unloading and are hired for the the port trust authorities that purpose by stevedores who are

unless effective steps were taken all private individuals or against the offending workers companies.

the Dock Labour Board.

I loading and unloading work on The stevedores say that the ships only from the Dock Labour

workers have been undisciplined. Board, which employs some and violent and have been 13,000 men out of a total work-assaulting and intimidating force of 42,000 employed at the stevedores in recent weeks.

Fall in Swiss watch exports predicted

By John Wicks in Zurich THE SWISS watch industry anticipates a fall in exports the year, both in volume and

This is stated in a report pr pared by Union Bank of Switze land, which says the develo-ment of the Swiss frar exchange rate, particular against the dollar, will rema decisive for Swiss watch sale Business is expected ": stabilise at least" in the currer third quarter, with new orde probably at about the low levbooked for the correspondir 1978 period.

A survey conducted by th Bank among watch industi undertakings shows that mo companies are expecting deterioration in profitability this year. In the light of the continued restructuring restru watch industry, including the partial shifting of watch partial shifting of waten watch-component production other countries, the U.B. report forecasts a further countries amplionment.

Figures recently published to the Association Federation Hologerie point to an 8.4 per cer drop in exports of watches an watch movements over the fire months of 1979 to a minute. five months of 1979 to a valuof SwFr 985m (£262m). Sinc this drop was primarily con the drop was prim cerned with products in lowe . price groups, the fall in volum. terms was of as much as 22. per cent to 18m pieces.

Battle continues over Dutch airport

BY MICHAEL VAN OS IN AMSTERDAM

MANAGEMENT Amsterdam's Schiphol Airport mental problems. where 26,000 people work. year said that provided permission for a second terminal is granted, the construction of a fifth runits passengers and aircraft way at Schiphol for the same the second terminal would be such reasons to the announce of double this force. In 1972 the 1977 Havenur in 1978, com

Wegstapel said he was confident the terminal would eventually be reversed.

KLM, the Dutch national car-

rier, as well as the Ministry of Transport, which is responsible for the airport, have appealed against the decision of the provincial authorities, which fear that such a terminal would nucleus of the project to the plant, Facel, which was built in of 220,000 tons annually of ing to resolve the matter soon. further expansion of Schiphol

of would cause too many environ- employment at the airport, disappointing performance las-

handling capacity would be such that a second major Dutch air port would not be needed before the turn of the century.

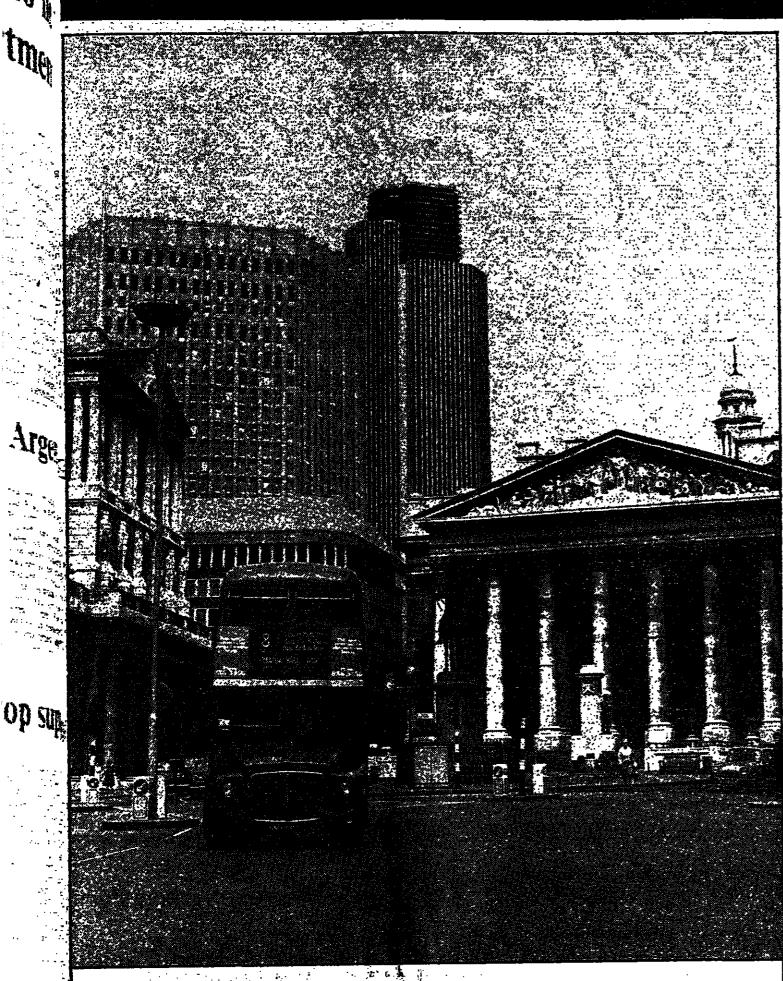
The passengers and aircraft way at scripnor for the same the second the same that same the same the same the same the same the same the same that same the same the same the same the same that same the same the same the same that same the same the same the same that same the same that same the same the same that same the same the same that same he coming years.

9.5m, up 6 per cent from the Fis 2.6m.

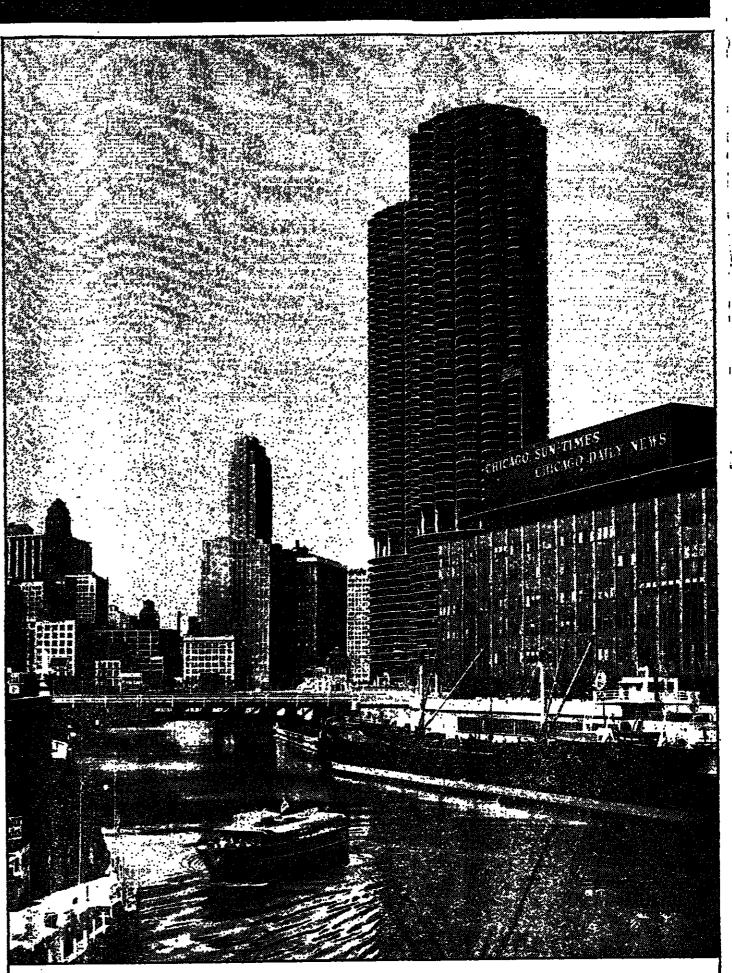
However, the Transport year before. The number of Asked that the decision of the pro-vince of North Holland to reject on a compromise solution which per cent; to 143,000. Aircraft broubles with the DC-10 and would involve turning the cur capacity is put at 250,000 move- above all the increased fares at

feor that such a terminal would the future and any obstacles to up a per cent, rangely manks to increased forces. Will determine a further postponement the airport's further growth the 25 per cent rise in North people from flying as much a national airport and that a position as well as the national handled again showed in in give me indication of any section and regional economies and crease (11, per cent) after a effect.

Asked what impact he ex would involve turning the current fourth runway which is read and the noise of the



City of London. Average prime office rental £17.00 per sq. ft.



City of Chicago. Average prime office rental £8.80 per sq. ft.

Chicago has a long way to grow.

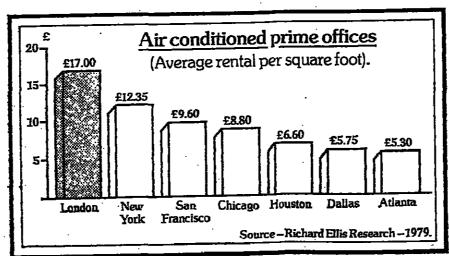
For Chicago you could also read Atlanta, Dallas, Houston and a number of other American locations.

We're not just listing names of cities, but marking out considerable opportunities for the British investor in property. Where real estate values are not simply lower than values on this side of the Atlantic, but also offer considerable potential for investment growth.

We've noted that a downturn in construction following the previous recession in the US economy has led to a heavy pre-commitment of new property space. This factor, combined with

constraints on borrowing capacity and a powerful environmental lobby, is creating an acute shortage of prime office space in many key business centres.

Richard Ellis are amongst the leading



All rentals in US are inclusive of real estate taxes and all outgoings.

property investment consultants advising a number of pension funds and institutions on their real estate portfolios. Over 24 offices in 11 countries provide an international service, and include two in the USA dealing exclusively with property investment advice. For a number of years we have been advising clients on the creation of property investment portfolios in international locations.

For more information on American or other international investment markets contact Andrew Huntley or Chris Budden at Richard Ellis, 64 Cornhill, London EC3V 3PS. Telephone: 01-283 3090.

Richard Ellis

Chartered Surveyors

'Vital role of nuclear power'

BY DAVID FISHLOCK, SCIENCE EDITOR

living standards could be seriously reduced, Mr. David Howell, Secretary for Energy, said in his first public statement on Britain's nuclear policy in London last night.

The Government sees " a vital role for nuclear power" as part of a balanced energy policy also founded on coal and on the conservation of energy, said Mr. Howell,

Nuclear power had been represented—" quite unfairly " as a threat to the society. But Britain could not have a balanced energy policy without we shall find it difficult to meet a substantial nuclear element energy demand at tolerable "The simple fact facing the prices without a contribution country is that there could be from nuclear power."

very serious consequences for This was a fact of life facing very serious consequences for the standard of living of all every industrialised country, as our community without nuclear the Tokyo Economic Summit power."

Mr. Howell was speaking at

Factory

closure

to cost

BY ROBIN REEVES

strength agginst the dollar, the

The closure, at Porthmadog in Gwynedd, will result in the loss of more than 100 jobs. The

SCM factory has been the only

An added blow for Porth-

madog is that only this week

it was downgraded from special

development to development area status in the Government's

regional aid cuzbacks, in spite

of a local unemployment level

of 8.5 per cent.
Until recently, the SCM
Porthmadog factory was produc-

ing some 1,300 typewriters a

week, mainly for export to the U.S. At one stage as many as 230 people were employed. The closure will also result in more

than 100 redundancies at SCM's

West Bromwich factory which

over the parent company's re-

fusal to discuss alternatives to

outright closure, such as utilis-

ing the Government's short-time

Porthmadog earne dsubstanti-

ally increased profits when sterling plummeted against the

dollar in 1976 and the group

had a record year worldwide

in 1978 with income before tax

local MP, Mr. Dafydd Wigley.

offered to fiv to New York to

discuss the difficulties with SCM,

but there was no response from the parent company.

Porthmadog closure and the

West Bromwich redundancies

may be connected more with

SCM's acquisition last November

of Olivetti's Glasgow factory than with sterling's strength against the dellar. The company

European market in May.

Record for

John Lewis

watercolour

A WATERCOLOUR by John Frederick Lewis of "Lord Pon-

sonby's horses held by grooms " sold for £32,000, plus

the 11.5 per cent buyer's pre-mium and VAT, at Sotheby's

watercolour by Lawis. The work was acquired by the Fine Art

It was an auction record for a

A view of Florence by Turner

made the same sum in an auc-

tion of British drawings and

SALEROOM

BY ANTONY THORNCROFT

watercolours which totalled

Another good price and artist

record for a watercolour was the

£20,000 for "Joshua spying out

the land of Canaan" by John

for "Satan and Beelzebub" by

Sir Thomas Lawrence and Haz-

lett Gooden and Fox, £7,500 for

Richmond Park, also by John

Silver at Sotheby's totalled

£161,566. A George II cake basket sold for £5,500 and a

Charles II cylindrical tankard

for £5,200. At Sotheby's Bel-

gravia a record auction price of

£10,500 for an item of Satsum.

a large jar and cover, was paid

Martin.

£6,000.

the near future.

The feeling locally is that the

Union representatives and the

compensation screme

assembly at Porthmadog.

components

employer in the town.

manufacturing

significant

produced

of \$51.5m.

the 25th anniversary of the UK Atomic Energy Authority, the Government's main agency for nuclear energy.

His speech underscores staterecently in Tokyo and Strasbourg on the urgent need for more nuclear energy.

People sometimes ask whether we need to maintain the nuclear power option at all, said Mr. Howell. "My emphatic answer is that we do."

There was scope for debate about forecasts in energy policy but on any realistic assumption

Mr. Howell made no mention

spoke of the importanceof "continuing nuclear power station ' to meet Britain's longterm needs. "Because of the ments the Prime Minister made long lead times involved in the construction of new stations this Government will give the growth

> it deserves. afford to be complacent."

ment recognised the importance of resolving "uncertainties" in

per cent in energy consumption fuels, 10 per cent,

a party in London celebrating of a new programme of nuclear could be won using "proven the 25th anniversary of the UK station construction. But he Figures to be released next the proportion of nuclear electricity generated in Britain last year fell from a 1977 level of about 14 per cent. No new plant was brought into service, and of nuclear power the priority shut down for repair.

It is likely that the gap in He stressed three points. First, British generating costs be-that nuclear safety is of "para-tween nuclear power and coal mount importance." The record narrowed last year, in spite of was excellent "but we can never a large increase in the price of coal. But nuclear electricty re-Second, that Britain needed a stronger nuclear design and construction industry. The Govern-

expected to be obtaining over 20 per cent of its electricity the industry's organisation. from a pattern of generating Third, that nuclear power plant distributed approximately must never be regarded as an as follows: coal-fired, 53 per from a pattern of generating plant distributed approximately end in itself. There were ways cent; oll-fired, 26 per cent; in which savings of at least 30 nuclear, 11 per cent; and other

MR. NICHOLAS GOODISON

THE FIRST casualty of the Board in Chicago wanted to go would have come from the Government's decision to cut elsewhere in Europe, but I man-export potential of the new

Mr. Elwyn said: "We already

Mr. Erwin also believed that firms would have less incentive to stay in the regions with the reduction of grants. He thought it inevitable that there would be some movement back towards the South-East if only to shorten

£5m plant plan is first casualty of regional cuts

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

100 jobs A NORTH WALES subsidiary strapping line at its Swansea SCM, the U.S.-owned typewriter manufacturer, is to close today because of sterling's

Mr. Tom Erwin, managing director of Signode, said that as a result of Swansea being downgraded from a development area to intermediate status the company would no longer be able to receive grants towards the project worth almost half the outlay. It might also find it more difficult securing selective assistance under sections 7 or 8 of the 1972 Industry Act.

We have been negotiating for further expansion for some force. the South-East if only to time," Mr. Erwin reported. "The biggest gain, though, lines of communication.

able to go ahead with our expansion in Swansea. The final decision is up to

Chicago. I shall be having further talks with officials, but it looks black here at the moment." Signode makes steel strapping for the packaging industry. It began manufacturing in Swansea in 1951 though it opened an assembly plant there earlier, during the war. It employs 570

about 40 people to the work-

terday when U.S.-owned Signode Swansea was the right place. some 25,000 tons a year which plan to invest £5m on a new steel cut T don't think a same a new steel cut T don't think a same a new steel cut T don't think a new steel cut T don't think

export 30 per cent of our pro-ducts, and it was intended that almost all the output from the new line would go to Europe. Britain will, therefore, lose about £12m for its balance of

Plan to cut wholesale drug profit margins may lead to legal battles

people and the installation of

an extra line would have added

BY SUE CAMERON, CHEMICALS CORRESPONDENT

companies to cut UK pharmaceutical wholesalers' profit price maintenance has broken margins could lead to legal down. battles in both Europe and the

The National Association of products responded to the cuts by hiring a legal specialist " to investigate whether there have been or are likely to be any breaches of U.S. or European anti-trust law" by the big drug manufacturers. The association said its investigation would cover pricing policy, restrictive greements and general market

behaviour." This follows a decision by the U.S.-based Merck, Sharp and Dohme group to make an overall cut of 2.4 per cent in pharmaceutical wholesalers' profit margins. The UK-based Glazo drugs group is also under-stood to have made a cut in wholesalers' profit margins.

The drug companies' aim in began production of a new typecutting profit margins is to try writer model in Glasgow for the to stop breaches of the official pharmaceutical resale price maintenance scheme. Resale Gwynedd's industrial development officer said yesterday he price maintenance which still hope dthat a company looking operates for pharmaceuticals for a stable workforce already although it has been abolished skilled in manufacturing for nearly all other products, assembly could be found to take bans wholesalers and retail over SCM's factory premises in chemists from selling prescription drugs for less than the

> But wholesalers have found ways of bypassing the scheme which was designed to protect the sick from drug price wars. Both pharmaceutical manufac-

price laid down by the manu-

MOVES by some major drug turers and drug wholesalers used to be through direct sales companies to cut UK pharma- now seem to agree that resale to cheemist shops, whereas the ceutical wholesalers' profit price maintenance has broken effective ending of resale price Merck, which sells a sub-

stantial proportion of its 16 per cent. directly to retail tenance was "going by the to wholesalers to try to enforce board." It stated that as a Pharmaceutical Distributors has chemists, said resale price mainresult of the discounts offered by many wholesalers, its own had been hit.

The company added that on large margins otherwise they margins to regain some of the direct retail business it had

It is thought that about 33

direct sales to retail chemists which represents around 90 per wholesalers must be operating favour of resale price mainten-

would be unable to give big discounts on sales. It said it had decided to cut wholesafers'

per cent of Merck's business panies in a month's time.

maintenance has cut the figure back to roughly 15 per cent or

Glaxo said vesterday that it The National Association of Pharmaceutical Distributors.

cent of UK pharmaceutical wholesalers, said it was in ance but it felt some of the drug manufacturers had tried to operate the system It added that it hoped to com-

plete its investigation into the possibility of taking action against some of the drug com-

Too many lawyers' soon THE NUMBER of solicitors is five and a half years' training."

increasing by 2,000 each year an article in the Law Society the law in this way.

is a problem," according to qualifying each year.

writes that 2.000 lawyers are security. "Quite clearly at such a rate many newly qualified solicitors

will find it impossible to obtain they have spent a minimum of

Securities dealers seek early talks on new laws

BY CHRISTINE MOIR

tion of Licensed Dealers in viduals whose activities include Securities is seeking early talks dealings, with the Department of Trade The as and the Council for the Securities Industry, which are pro-posing stricter regulations to principals and expects eventucover dealers' activities.

At its quarterly meeting today, the CSI will table a draft bers before such bodies as the code of conduct for licensed dealers—those who deal in securities outside the Stock Exchange and the banking system and need a licence from the Department of Trade.

The Department's involvement is through the proposed standards in the industry. stricter regulations embodied inthe Prevention of Fraud Martin. Colnaghi paid £14,000 (Investments) Bill.

Under pressure from these separate but parallel regulatory of M. H. Nightingale, a leading moves, the association was firm of dealers which specialises formed late in May. Until then in transactions in unlisted there was no organisation to securities traded "over the speak for the 320-odd holders of counter" with the permission principal's licences for dealing of the Stock Exchange. in securities.

ment managers and dealers. 30 which set up the association, is or so dealers in overseas securi- also on the council. ties outside the Stock Exchange. and a similar number of finan- Michael Ingall, of Dunbar and

At Christie's Godson, the brokers. London dealer, bought a 17th century Flemish oak press for from accountants, discount houses, vestment manager.

THE NEWLY formed Associa- commercial banks and indi-The association now claims to

have applications for memberally to have over 100 members. Its aim is to represent mem-Department of Trade and Council of Securities Industry, to make information on exchange" share trading more generally available, and ultimately to act as a selfregulatory body to improve

The founding council chaired by Mr. Robin Hodgson. former Conservative MP for Walsall North, and a director

Mr. Michael Nightingale, who These include about 80 invest- formed the steering committee Other members are Mr.

advisers and merger Co., bankers, Mr. Geoffrey ers. Pointon, a Leicester insurance The remaining are drawn broker and financial advisor, groups such as and Mr. Robert Sandell, an in-

Global economic recession is and the present 34,000 total one of the reasons blamed for could double in 30 years, says increasing numbers turning to

It has mean that people who "The possibility that there would otherwise become entreare too many aspiring solicitors preneurs or go into productive industry turn to the professions solicitor Geoffrey Sturgess, who and service industries for

No rush to Europe on eased controls

BY JAMES BARTHOLOMEW

INVESTMENT munity unanimously welcomed yesterday the relaxation of exchange controls announced on

But few expected the sudden ush into shares of EEC companies, which can now be bought without payment of the investment currency premium



"Welcome reform"

to develop into a major change in British investment habits. London brokers and jobbers mentioned their difficulties in profiting from any increased European investment there may

"A very important and wel-come reform," commented Mr. Nicholas Goodison, chalrman of the Stock Exchange in Birming-

ham.

He said he had been campaigning for a long time for a reduction in governmental interference and a return to "the disciplines of free markets."

"Too many controls weaken the pre-eminence of London as a world market and as the financial centre of the European Economic Community."

Fund managers, while welcoming the moves, said that

coming the moves, said that they would not invest substantially more in Europe, because the prospects there for the time being were not exciting, and the stockmarkets

and other traditional areas of British investment, would probably continue to predominate. The professional investors had long put all they wanted to in Europe through loans, said the investment manager of a leading merchant bank.

The main effect of the relaxation would be to make them consider whether to repay some of their currency loans, Brokers and jobbers nontheless reported an upsurge in inquiries and deals on their European desks. Wedd Dur-lacher, the jobbing firm, did twice the normal business.

Vickers da Costa, the broking firm, said it had been overwhelmed by inquiries from people wanting to know the details of how the new rules would work. But the number of deals actually done had not risen in proportion. Vickers said that a lot of new

husiness would go to local brokers, because anyone going through a London broker would normally pay double commis sion, one to the London and one to the European broker.

Rolls-Royce wins engines order for Army's new tank

BY MICHAEL DONNE, DEFENCE CORRESPONDENT

ROLLS-ROYCE MOTORS has created by the loss earlier this won an international rivalry pear of the Iranian orders for to provide engines for the next engines for over 1,200 Shir generation of main battle tanks fran tanks.
for the Army. The deal even. The Ministry said that its tually may be worth well user choice of the Rolls-Royce engine

tuany may be worth well over choice of the Rolls-Royce engine and to the company.

Was made after detailed study the Ministry of Defence of the two available power announced yesterday that the plants company's new Condor 1,500 hp. The operational perform-diesel engines would be used in since of the Rolls-Royce and the main battle tanks, called U.S. engines would have been MBT-80, under development for broadly comparable, it said service with the Army from the But the AGT-1500 is designed late 1980s.

be worth more than £70m, perhaps running to as much as acquainted with diesel engines, £100m if transmission and which have been used in preother equipment is included.

Mr. Plastow made clear that
Rolls-Royce Motors hoped for substantial export orders for the engine, not only in tanks for armed forces, but also as power-units for vehicles such as tank-transporters, in ships, and as electricity generating

Over the next 15 to 20 years, we might be able to double the value of the Minis-try's order, both at home and

be small, because it would help to take up much of the slack

late 1980s.

Rolls-Royce's rival in the gether with its associated transfight was the U.S. Ovco Lycom mission would have required ing AGT-1500 gas-turbined substantial modification for engine, already under develop.

MRT-80, while its fuel consumpment for the new Chrysler XM. tion is also expected to be I tank for the U.S. Army. higher."

Mr. David Plastow, group managing director of Rolls-Notes Motors, said: This has not been a push-over for us. We never before been grilled ensure for the Army a considerate never before been grilled ensure for the Army a considerate over this contract. The Ministry plans eventage tial sums. The Ministry plans eventage tial sums. The diesel engine is more new tanks for the Army and easily adaptable to such other provision of Rolls-Royce machines as armoured recovery engines for these alone would and bridge-laying vehicles be worth more than £70m, per The Army is already well for the U.S. XM-1 tank, and to-

The Army is already well

which have been used in pre-vious tanks and other vehicles, so that training and main tenance will be cheaper than with new gas-turbine engines. The MBT-80 is in the project definition stage. It is intended to be the successor to the Chief-

tain main battle tank in the late 1980s and beyond. late 1980s and beyond.

The new tank will be required to match the latest developments in Soviet and Warsaw Pact tanks, through to next century.

Other elements of MBT-80 The immediate short-term already settled include a effects of the decision on the 120mm rifled-bore gun and procompany's Military Engine vision of the new British-Division at Shrewsbury would developed Chobham armour. highly resistant to anti-tank ammunition.



Mr. Cyril Stein, chairman of the Ladbroke Group, which was refused renewal this week of four London casino licences, at Heathrow yesterday before flying by Concorde to New York.

"It's very much business as

usual," he said, "I have got

gaming, hotel and leisure group's first major investment in the U.S.

business to do but I'm not

selling. I'm going to buy something." He said it would be the

It would not be in the

Consumer spending rises sharply

BY DAVID FREUD

CONSUMER SPENDING rose sharply in the April-June period to a further all-time peak. The Central Statistical Office's first preliminary estimate of expenditure in the second quarter was £17.55s; an increase

of 3.5 per cent over the record The main areas of growth were retail sales, alcoholic drink and cars and motorcycles. A large part of the gain is likely to have been due to beat the Budget spending.

CONSUMER SPENDING 1975 prices 1978 17.021 Ist quarte

The jump in spending is the largest in the post-war period, except for the 3.6 per cent rise in the first quarter of 1973...

As in 1979, the exceptional 1973 increase was partly due to anticipated changes in indirect taxation, in this case the change over from Purchase Tax to VAT on April 1

Changes in VAT and specific duties were widely expected before both the 1979 Budgets and in addition there was heavy spending in the week before an nounced changes in VAT came into effect. Spending on alcoholic drinks is thought to have increased by

about 9 per cent between the two quarters, while car and motorcycle sales were up by roughly 32 per cent. There was a 15 per cent-rise in spending on household durables, evenly spread between furnishings and electricals, even

though VAT on the former in-creased three times as much as on the latter. However, there was a sharp fall in expenditure on fuel and light compared with the first quarter, when the weather was

far worse than in most years. Early analysis of the figures also suggests that the increase in petrol prices and the scarcity of petrol in some places had a considerable impact in reducing motoring.

Reliant Robins recalled for modification

ALL 47,000 Reliant Robin threewheel cars, first built in 1973, are being recalled by the company to have a strengthening bracket fitted to their steering Reliant will also be checking

some of the vehicles for a steer-ing column modification which followed a previous re-call about two years ago. The company said yesterday that there was nothing seriously wrong with the steering and the recall was being made because of further research into the component Reliant said

that to its knowledge no acci-

dents had been caused by the

steering system.

for Ladbroke sald later. BEN WRIGHT ON THE OPEN GOLF CHAMPIONSHIP AT LYTHAM

Putting a Spaniard in the works

the cream last came to the top Lee Trevino. so quickly in an Open champion-The leader board last brilliant outward half of 30 ship. The leader board last night was almost overloaded thoroughbreds, and only two outsiders remain. Hale Irwin, who won his birdie at the 10th, his fifth in

second U.S. Open just over a six holes. But then, with all month ago and is an obvious favourite to win here, leads the laus, just as he did yesterday, tournament at six under par came apart on the inward half. with three holes to play. But the real fireworks have Intelligence been exploded in the miserable cold of a brisk north-westerly

wind by the glamourous Spaniard, Severiano Ballesteros, who birdied four of the last five holes to equal the best round of the championship of 65, achieved by Scotsman Bill Longmuir, the overnight leader, on Wednesday. par total of 138, and, God bless round. him, Longmuir has held him-

self together with the utmost day, the remarkable Ballesteros. courage to complete the dust- I am continually astonished by strewn course in 74 shots for a the high intelligence of this three under par total of 139. The hot favourite. Tom Wat- years ago, he could hardly speakson, added a second round of a word of English, but yesterday 68 to his first of 72, for a two he brought the house down with under par 140, white Denis a series of amusing wisecracks Clark of New Zealand has had in this, a strange tongue to him. rounds of 72 and 69 for a one under par total of 141. The next mark he made after saying that best British golfer at present he had been troubled this year is Ken Brown (72, 71—143) a by never being on the fairway total shared by Bob Byman of fro mthe tee was when he was the U.S., while at 144 come the asked if he thought the fair-Japanese pair, Isao Aoki, the ways were unfairly narrow, reigning world match play Ballesteros replied with that

Jack Nicklaus enjoyed shots, five under par for the distance, and he got to within

the hard work to be done. Nick-He was bunkered at the short twelfth, played an irresolute recovery, and took five, and

one stroke of Irwin with a

Also on the leader board at that stage were Ben Crenshaw at one under par after eleven holes, and Australia's Grahame After rounds of 73 and 65, Marsh, who was level par at Ballesteros has a four under the same stage in his second But back to the hero of the

dropped another stroke at the

brilliant young man. Just three Perhaps the most choice re-

IT IS HARD to remember when champian, Jumbo Ozaki, and most attractive grin: "I wish the fairways were more narrow. Then everyone would have to play from the rough." The Spaniard's start was un-

> his par. He started to draw the crowds to him like a latterday Pied Piper, when he re corded birdies at the two part fives, the sixth and seventh, and another at the eighth from 20 feet behind the hole. Almost immediately Ballesteros faltered with three putts at the short ninth hole, and he

missed a similarly short putt afte rhis third booked tee-shot had caused him trouble at the Ballesteros at this stage was. side, which Trevino five feet from the hole. left asserted had caused him to

drag the ball severely left on

Tribute

thre `occasions.

Almost immediately, the Spaniard over-compensated, and for a birdie there.

chipped in to the hole from with a 79 on Wednesday, but year, مكنامن النحل

a birdie at the next, got in a onwards and Gary Player, who 15-tooter after a fine two iron has birdied the long sixth and shot at the 17th, and struck a seventh holes to give himself glorious nine-iron shot three a chance of improving on his eventful enough for five holes, although he did hit brilliant feet from the hole at the last first round 77. His son, Wayne, bunker shot at the first to save

> Ballesteros was quick to pay tribute to his partner in four practice rounds, the veteran Argentinian Roberto de Watson made his score pos-

sible with a birdie two at the fifth hole, after a good six iron 20 feet away at the par three, an eagle at the 486 yards sixth. which was played directly downwind, and at which Watson told by his partner, Trevino, needed only a nine from to hit that he was not clearing the the ball 178 yards to pull up-

yards seventh hole helped 32 shots and it must be score when the wind was at 20 per cent of the annual its strongest. As evening British market—is due to arrive Spaniard over-compensated, and had a struggle to save his par at the 13th. But, despite a drive to the right of the 14th fair lessened considerably, so a few way he holed a 15 feet put or a birdie there.

Then it all started to happen. who earlier faced problems in per tonne. making the cut, may eventually. A spoke

25 yards for a birdie at the reeled off three birdies in 15th missed a five-foot putt for succession from the fifth hole to get home in 32 shots, the reached the turn in 36 shots, best inward half of the cham with a good chance of finishing pienship so far, with only 27 i nfront of his illustrious father.

Steelmakers call for probe into import reports

PRIVATE SECTOR steelmakers have asked for an immediate Government investigation into reports that a £1.5m, shipment of low-priced stainless steel bar is coming to Britain from Brazil.

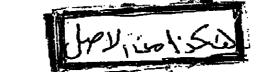
another birdle at the 551 Steel Producers Association has alerted the Department of Trade Watson to reach the turn in to reports that up to 1,200 tonnes of the prime grade steel remembered that he made his bar—which represents about

At a price of around £1,200' per tonne it greatly undercuts the British producer orice. way, he holed a 15-feet putt of the most fancied players, which now approaches £2,000

SDOR

Then it all started to happen. making the cut, may eventually. A spokesman for BISPA in At the next four holes Balkes save their necks.

At the next four holes Balkes save their necks. Sheffield yesterday said the teros at last drove into the Among these are Tom Brazillar shipment could wreck fairway on each occasion. He wasterd who burdened himself. British market, prospects this



Equal pay claim sent £3.7m undersea to European Court

BY OUR LABOUR EDITOR

DSAP.

have been paid the same wages as a man who held her job who held the job before her.

interest since it was the first sent an opinion on the construction and application of an article of the Treaty of Rome.

It is believed to be only the second equal pay case to be sent to the European Court. The first right to compare her wages with their dismissal was in breach of the European Court. The first right to compare her wages with their dismissal was in breach of the European convention brought by a Belgian air hostess. cessor. But Lord Justice guaranteeing freedom of Mrs. Wendy Smith, who lives Lawton and Lord Justice thought, freedom of expression in Irchester, Northants, is Cummings-Bruce, the other and freedom of association.

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

oney Stock Mi

a woman's claim that she should sex, in 1976, she was paid £50 a However, they were not sure week, or £10 less than the man whether Article 19 of the Treaty

wholesaler, which employed her, Smith's claim. Lord Justice Lawton yesterday. wholesaler, which employed her, said the case was of historical unsuccessfully appealed against the decision of an industrial tri- case should be adjourned while by the court to Luxembourg for bunal which awarded her the European Court's opinion

Lord Denning, Master of the

Money supply on rising trend

fined money supply, rose by the five weeks to June 20 on a seasonally adjusted basis.

But M1 the personal defends a seasonally adjusted basis.

But M1 the personal defends a seasonal deposits.

But M1 the personal defends a seasonal deposits are defended by the personal deposits.

But M1 the personal defends a seasonal deposits are defended by the personal defends a seasonal deposits.

But M1, the narrowly defined Domestic credit expanded by mainly gilt-edged stock money supply, fell over the £820m during the month. The £1.45bn in the month.

GROWTH OF MONETARY AGGREGATES (£m)

1,005 — 163

415 269 5

1,214 427 543

Money Stock M3

THE Court of Appeal in London claiming that when she became appeal judges, felt the words of is to seek clarification from the European Court of Justice over stockroom in Wembley, Middle-support that comparison.

of Rome, which English courts McCarthy's, a pharmaceuticals must respect, supported Mrs.

> Lord Denning agreed that the was sought.

Yesterday the company again The European Commission of argued in the Court of Appeal Human Rights is proceeding tutional importance if the guaranteed equal pay for men opinion, when given, conflicts and women engaged on "like ployees dismissed for refusing with the clear terms of a work" at the same time, not in to join a trade union after a statute," he added. ployees dismissed for refusing to join a trade union after a closed shop agreement had been reached.

Domestic credit

Source: Bank of England

mine project

is to spend £3.7m on further land's output.

development of its Lynemouth—The board will drive a new development of its Lynemouth-Ellington mining complex in Northumberland, the world's biggest undersea mining operations of the world's way passage. A one mile road-

The board said yesterday that the three-year development programme would open up a large area of new reserves, estimated at 50m tonnes, up to six miles out to sea. It would also help guarantee 3,500 jobs at Elling-ton until at least the end of

airways between the Lynemouth the Dawdon colliery, Durham, and Ellington mines which now in a 200-y produce 2.5m tonnes a year— E82R face.

THE NATIONAL Coal Board more than half Northumber

remodelled as a return airway. The complex is the biggest producer of steam raising coal in the North-east. Some Im tonnes a year of the output is consumed at Alcan's nearby aluminium smelter.

The board also announced it was spending £2m on a new mining technique, using micro-The work will entail the con- processors to improve control struction of extra ventilation of powered roof supports, at in a 200-yard section of the

Small companies 'need further tax changes'

FURTHER TAX changes are by an increase in retained pects for small companies.

Bank Economic Bulletin.
The bulletin says the Budget still favours collective rather

required to improve the prosprofits, says the bulletin. This nects for small companies, would require a considerable according to the latest Lloyds improvement in the economic

Tax concessions were found has helped small companies by to be generally more efficient reducing high marginal income than subsidies in giving Govern-STERLING M3, the broadly demonth by £180m, or 0.7 per main boost came from bank tax rates extending stock relief ment help to small companies tax rates extending stock relief ment help to small companies and raising the exemption limit Governments are under confined money supply, rose by cent. In the last three months lending in sterling to the for the investment income stant temptation to grant subsi-surcharge. But the tax system dies, because they bring a more immediate political pay-off among clearly defined interest than individual saving.

There is a shortage of equity groups. The benefit of tax cuts capital for small companies is wider and harder to measure which could best be remedied in detail.

Small businesses group seeks tribunal changes

BY JAMES McDONALD

THE INDUSTRIAL tribunal manager, a trade unionist and system should be changed to an industrialist."

allow right of appeal by employers and employees says executive of the forum, said it the Forum of Private Business, which consists of about 3,000 employers nor employees could

newsletter Employers need the right to unsatisfactory em-

It recommends "establishment of a professional, legallyinformed appeal body consisting of, perhaps, a lawyer as chaira qualified personnel employees before the law.

was "iniquitous" that neither

appeal against tribunal deci-There should be a charter of rights for individual trade union

members said the newsletter. the principle of which should be that trade unions should be accountable to their members in no lesser way than a employer is accountable to his

spying curbs sought

Financial Times Reporter

A CALL to make industrial espionage a crime has been made by the Association of British Investigators.

The ABI has written to all MPs in the hope that they will press the Government to act. At the moment companies against which an act of industrial espionage has been committed have no legal redress.

Britain remains the only country in the EEC which does not regard industrial espionage a crime.

According to industrial espionage expert Mr. Vince Carratu more than 60 per cent of the activities which involved the selling and stealing of company information was carried out by disgruntled employees.

Mr. Carratu said that Euroean companies were more realistic about industrial espionage and took more care to safeguard their ideas.

Competitor

Even if some form of legislation is introduced, proving a crime has been committed will remain difficult. Industrial espionage covers many types of activity including stealing company documents, bribing staff to reveal details of a rival's operations, offering a com-petitor's staff a higher salary to entice them from the electronic company surveillance.

Some spies even operate under the guise of market research operations and it is not uncommon for unserupu-lous organisations to pay large sums of money for the opportunity to preview a competitor's new product.

Many private investigators feel it is time for some form of legislation to be introduced. They often have evidence but find the law allows them to prosecute only for minor offences such as unanthorised use of telephone time or theft of company

Industrial Expansion of glass recycling scheme could save £1½m

BY LISA WOOD AND RAY PERMAN

re-cycling scheme started by the glass a year, which would lead UK's glass container industry to savings in raw materials in 1977 could make savings of up to flim a year in raw materials extraction and glass manufacture equivalent to 4m gallons of materials, the Glass Manufac- oil, worth an estimated £1.5m turers Federation said yester- at today's prices.

national basis. For every tonne of glass re-cycled 1.2 tonnes of local authorities to support virgin material is saved.

The scheme, launched in Oxford involves the collection facturers have been pioneers in oxford involves the conection and te-cycling of empty bottles and jars from large skips. About 32 centres are now used for collecting used glass, and the Federation said the industry planned to extend the scheme to cover 20m people in 200 urban areas by the end of 1981. In the UK manufacturers have been fairly slow to adopt recycling procedures although

Shareholders

Mr. David Bailey, chairman of the container section of the Glass Manufacturers Federation, said that as part of the expansion programme two manufac-turers. Rockware Glass and United Glass, would start next month on the construction of two plants to clean and process the millions of waste glass pro-ducts which would be recovered.

Subject to final approval by its shareholders—the Distiller: Company and Owens Illinois— United Glass will build a £450.000 factory at Alloa. Clackmannanshire. It will be the first of its kind in the UK and will process up to 50,000 tonnes of waste glass a year.

people and be ready by next tion companies which break February. United Glass already planning agreements. has 10 "bottle banks" in ScotThe minerals panel—comland but hopes to have 200 by

Yorks, to use waste glass from to ensure better control of England and Wales and United mineral workings and improve-Glass was discussing with local ments in measures to deal with authorities the possibility of worked out gravel pits. building a plant next to its The decision to set building a plant next to its. The decision to set up the container factory at Harlow, panel reflects recognition of the

Redfern National Glass of York, problems caused when restorais to expand its re-cycling operations in conjunction with a required standards. Doncaster company, Glass Supply.

THE EXPANSION of a glass to recycle 150,000 tonnes of

The results to date and the The industry is investing potential savings offer stunning proof that glass recycling works bottle bank" glass recycling to the benefit of the nation. But the development of the bottle

> the scheme." Swiss glass container manu-

recycling procedures although every bottle contains about 20 per cent of cullet which is mainly recycled from the industries internal sources.

Panel will monitor gravel pits

GREATER London Council is to set up a joint "watchdog" committee horoughs to consider and monitor agreements on gravel pits. The move could lead to a The plant will employ six tougher attitude towards extra-

posed of representatives from the end of 1981.

Rockware Glass will build ing. Hounslow and Redbridganother plant at Knottingly. borough councils—is designed

controversy surrounding gravel Another large manufacturer, extraction in London and the tion works fall short of the Mr. Alan Greengross, leader

upply.

of the GLC planning and communications policy committee. director of the Rockware group, said the panel should promote said: "The industry target is a "greater understanding"

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accounting profession.

Mr. Henry Gold, head of accounting research in the Royal Duth Shell group, said work already carried out, conceptual framework until mainly in the U.S., should be built on to establish an interior issues such as the objectives of nationally agreed framework. The hearings were the first

held in London by the Accounting Standards Committee, covering evidence submitted by interested individuals and bodies on the committee's consultative document Setting Accounting Standards. Previous hearings were conducted in Glasgow and Dublin and the London session continues today.

Mr. Gold said, "Some mechanism by which all the bodies that count in this field could explore why they are coming to different conclusions on similar matters would be a starting point."

The lack of harmonisation was not only a problem for multinationals. It also affected foreign investment, lending and

The efficient allocation of resources to such ventures, based on decisions taken by users of the relevant financial information, should not be impeded by difficulties of accounting communication across borders," he said.

INTERNATIONAL harmonisa. The need for an underlying tion of accounting practice conceptual framework was also could be achieved only if agreestressed by Deloitte Haskins and ment was reached on the under- Sells, the accounting firm. In lying objective of accounts, it their evidence they said accountwas said yesterday at public ing standards had emerged case hearings conducted by the by case, and therefore had inconsistent objectives and concepts.

"It will not be possible to find a single model or agreed conceptual framework until issues such as the objectives of financial reporting, definitions of assets, liabilities, income and costs and a capital maintenance concept." The committee should start debating these immediately, they added.

Mr. K. D. Keymer, of Keymer Haslam and Co, the Sussex firm, said he was speaking for many out-of-London accountants when he urged that standards should not be compulsory.

The threat of qualifying accounts was an empty one for smaller companies, as they were far more worried about whether their bank managers would see them through another year. Mr. Dennis Tripp, of Pannell

Fitzpatrick and Co, the accounting firm, argued that enforcement of standards for listed companies should lie with the Stock Exchange.

A survey of members of the Young Chartered Accountants' Group showed a marginal preference, on the question of enforcement, for public censure by a Government

Bexley grammar school decision angers NUT

BY PAUL TAYLOR

A LONDON LOCAL education authority is to press ahead with plans for turning its only com-prehensive school back into a grammar and secondary modern school — in spite of the protests of parents and the National Union of Teachers.

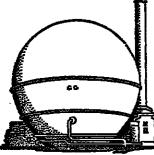
A full council meeting of the Conservative-controlled London Borough of Bexley has con-firmed proposals that the splitsite 2,000-pupil Erith Comprehensive School should revert to being separate grammar and secondary modern schools. The decision was taken as about the borough's civic centre.

The National Union of Teachers, Britain's biggest teachers' union, has protested to Mr. Mark Carlisle, Education Secretary, about the plan. Yesterday, the union described the decision as "appalling and disastrous" and promised that it would continue to oppose the

The council will now issue a Section 13 notice under the 1944 Education Act giving details of its proposals and asking for comments. After two months these will then be 1,000 parents protested outside forwarded to Mr. Carlise for

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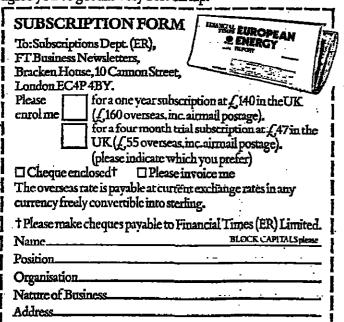
Western Europe's energy 'mix' -coal, oil, hydro, nuclear, gasis a complex and changing one. An era of high-cost energy is looming. How the governments of Europe plan to meet the demand for energy, and at what price, will affect every business

and individual in Europe-and many throughout the world. Planning and decisions therefore call for constant access to a wide range of up-to-date, accurate information on energy programmes and their implications.

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Unit trust sales lowest in two years

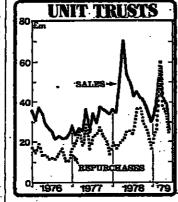
BY EAMONN FINGLETON

THE UNIT TRUST industry's sales to investors fell by a third last month to only £26.2m, the

lowest level for two years.

Repurchases from investors
also fell—from £34.6m to £24.5m. This gave net new investment of £1.6m, one of the worst results in recent years.

The figures, released yesterday by the Unit Trust Associ-



public's continuing disenchantment with equity investment. Mr. Cholmeley Messer, chair man of the association, said the low sales reflected investors' uneasiness about the prospects

for share markets.. People are worried about bad news such as the trade figures, the Government's prob-lems with the unions, oil price rises and America's economic problems. They are not prepared to take a long view. Some of the downturn may be due to people spending before the VAT rise, and seasonal factors are also involved."

European aid for British steel workers

THE European Commission is to grant £315,000 to help 500 people—whose jobs in the British steel industry have disappeared because of plant modernisation. The aid is used to help establish alternative employment and to finance allowances and retraining for those who have lost their jobs.

The plants concerned are Round Oak Steelworks near Brierley Hill, West Midlands (£163,000 aid, 332 people affected), and Edgar Alien believes and Sheffield (£152,000 aid, 178 people affected).

A further £493,516 has been

allocated in low-interest European Coal and Steel Community loans, towards house construction and modernisation for British coal and steel workers? More than 200 properties are

ENERGY REVIEW

oil producing countries.

tween present onshore produc-tion of 1.6m b/d and the com-

bined onshore and offshore pro-

duction of 2.25m b/d will come from offshore reserves.

Beyond announcing a 500,000 b/d offshore target for the end

of 1980 Pemex is keeping quiet

about that resource, but as oil production in the country is advancing more quickly than

originally forecast, reports that

Pemex set 2.25m b/d as its

ceiling by 1982. This has since

been put forward to the end of

Mexico's proven hydrocarbon

200bn barrels, but these figures are believed to be mainly based

A 'true cost' for gas

commission's report on the gas tariff increase sought by the domestic market. British Gas Corporation earlier this year. The longest company investigation report published in the commission's two year history, it is also the last but one before the commission is finally wound up. The final report, on Shell petrol prices, is due out next week, but the three remaining sector examination reports are still to be pub-

The call for higher gas prices —following its suggestion last natural gas supplies become week that electricity prices higher than forecast. should rise—is likely to upset The report says "we share porters and be seized upon by ts critics. A Price Commission calling for higher prices will non-dome almost certainly be given due means prominence during next week's second reading debate of the

British Gas had sought to put up tariffs from April 1 this year by 8 per cent for domestic users, and 11 per cent for non-

domestic customers. On April 11 the commission agreed to the non-domestic tariff increases but decided to freeze the proposed domestic price rise. However, after the Government had announced its plans to scrap the commission, it decided on May 16 not to continue with the price freeze. According to the report,

British Gas's turnover for 1978-79 is estimated at is estimated £2,940bn, of which 86 per cent was derived from the supply of gas, 6 per cent from the market-ing of appliances, and 5 per cent from installation and con-

Profit before interest and taxation is estimated at £433m, some 14.7 per cent of total turnover. Profit after interest but before taxation is esti-mated at £353m, 12 per cent of

Fallen

From 1975 to 1977 gas provided industry with an average 24.7 per cent of its energy needs. But in 1978, gas provided some 47.3 per cent of domestic customers total energy needs; compared with 32.3 per cent in 1973.

The report points out that gas is the only domestic fuel whose price has fallen in real terms between March 1976 and March 1979. The commission believes that ".domestic customers are being shielded ".domestic from the true cost of the gas

they use."
In contrast, gas prices paid by industry—which are related closely to the movement in oil prices—have more than doubled between the first quarter of 1976 and the first quarter of 1979.

and the first quarter of 1979. panied by a marked shift in Ambleside businessman, and The commission says that two British Gas's marketing Andrew Wilson, a Grasmere years ago both the non-domestic strategy. "We consider that the journalist who is editor.

COMMISSION and domestic markets were corporation will need to carry suggested yesterday that domes-tic gas tariffs be allowed to rise amounts of profits to British Gas tional activity to encourage 6p to 7p per therm—on top of from broadly equal sales domestic customers to use sas the recent 8 per cent increase—volumes. However, in 1978-79 more efficiently and to persuade so that consumers paid the true the domestic market is forecast developers to consider, more ost for their gas.

only to break even, indicating that all British Gas's forecast ommission's research

David Churchill looks at the Price Commission's suggested increases

Exacerbate

Moreover, the commission expects that there will be additional increases in nondomestic gas prices in the current financial year which will exacerbate the distortion between the profits generated by the non-domestic and the domestic segments of the market." The position would be further worsened if the costs of

the commission's dwindling sup- British Gas's view that there needs to be a reasonable relationship between domestic and non-domestic gas tariffs." This means "ensuring that all customers pay prices that reflect underlying costs of a scarce and Government's competition Bill increasingly expensive natural to scrap the Commission and encourage market forces to act as a long term price controls. costs.'

Long run marginal cost-based pricing, says the commission, "is designed to ensure that both present and future users of gas bear a fair share of the cost of using it and thus that the reserves are not exhausted too quickly because too low a

current value is put upon gas. The commission acknowledges the difficulties of accurate long run marginal costing but says that its estimate is based on the price paid for gas imported from Norawy, since "this is gas imported in order that more British gas can be left in the ground for use in the future."

But it argues that the adoption of long run marginal cost-ing based prices "would not imply that the customers of would be making sacrifices for the next generation; only that the present generation bears its fair share of cost."

However, the commission firmly believes "the gas tariff for domestic users is clearly well below our estimate of long run marginal cost." It suggests an increase of about 6p to 7p per therm to bring the two into line. It also points out that nondomestic gas tariffs are currently lagging behind long run marginal cost by about 3p per therm, but says that "changesin non-comestic prices, which we understand are to take place from September 1, will wholly eliminate this difference."

Not surprisingly, the commission also believes that it " would clearly be undesirable and indeed impracticable for adjustments of this magnitude in th domestic tariff to be attempted in a single step.

It suggests that such increases be phased in over a period of time. It is also suggested that the

new pricing policy be accom-

more efficiently and to persuade carefully, fuel utilisation efficiency when specifying what gas-using equipment is installed in the dwellings they design

and build." British Gas is urged to review tariffs on a regional basis since "there is some cost justification for differences in domestic tariffs between some of the

Balances

If British Gas is allowed to implement higher prices to reach the long run marginal cost of gas, the commission says this will likely lead to the accumulation of further large cash balances "Very soon, British Gas will no longer be able to use these balances for early redemption of debt since all its National Loan Fund advances will have been redeemed. It will therefore be necessary to find appropriate ways to handle this cash, par-ticularly as substantial soms will be needed eventually by British Gas for replacement of

its fixed assets." But the report also calls for future decisions on the level of gas prices to be considered within the context of a wider

UK energy policy. Apart from the pricing issue, the commission generally found British Gas to be efficient. But it does urge the corporation to press ahead with its investigation of faults in new gas

Agency plans £1.5m factory boost for Leith

By Ray Perman, Scottish

THE SCOTTISH Development Agency plans to spend £1.5m; building factory workshop units and carrying out environmental improvement work in Leith. near Edinburgh.

The agency has asked local authorities to find suitable sites for up to 20 workshops and give them planning permission by the end of the year, so that work can be done within the 1980-81 budget.

The project could be the forerunner of a full-scale urban renewal programme in Leith, which, although a prosperous port has many derelici areas and high unemployment.

Paper launched

Lakeland Echo, was launched vesterday in the Lake District. It is published by the Lakeland Publishing Company, newly founded by Paul Shingler, an

Price increases are not the answer'

GAS PRICE increases aimed at cutting consumption are not the best answer to the fuel crisis, the consumer watchdog for the gas industry said yesterday.

Professor Naomi McIntosh. chairman of the National Gas Consumers' Council, criticised those who believed that price increases would automatically mean reduced consumption. Speaking at the publication of the council's annual report, Professor McIntosh said that invariably · rises ·

penalised those on low incomes. If the Government confinued to force up prices it must match this by encouraging energy saving and policies to help the poor consumer. "Some are already crying out for easier payment methods, such as energy stamps," she added.

A survey carried out for the council found that eight out of 10 people had not thought about gas energy con-servation. A nationwide campaign urging the public to save gas is to be la

Barrow site chosen for Morecambe Bay terminal

BY RHYS DAVID, NORTHERN CORRESPONDENT THE BRITISH GAS Corporation employment for several hundred is to submit a planning applica construction workers. But only time shortly to develop a site about 80 permanent jobs will be

at Barrow in Cumbria for its created when construction is Morecambe Bay gas terminal completed: The site is used for grazing and lies immediately south of Rousecote power station.

The Morecambe Bay field, the first to be discovered off Britain's west coast, is estimated to contain reserves of some 2-3 trillion cubic feet of gas and will cost several hunderd million

pounds to develop. The cor-poration is hoping to have gas available from the field, 20 miles offshore, for feeding into the national grid by around 1983-84.

British Gas has yet to decide on the site for its offshore supply base, though during exploration it used Fleetwood. No decision is expected for some

The choice of Barrow follows detailed consideration of a number of factors including problems caused by shifting sands off the Lancashire coast.

Discussions are taking place with the local authorities in volved—the Cumbria County Council and Barrow Borough Work on building the recep- Council-over how the public tion terminal, to cover an esti-can be best consulted for its mated 300 acres, will provide views on the application.

Airline aims for Jumbo service to Hong Kong

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

the UK-owned, Hong Kong-Kong and London.

similar proposals made by British Caledonian and Laker

CATHAY PACIFIC AIRWAYS. Cathay's aim is to provide a one-stop service between Hong based airline, has applied to Kong and London, via Bahrain, the Civil Aviation Authority using Boeing 747 Jumbo jets. for rights to fly between Hong Initially, there would be three Kong and London: flights a week, rising to a daily The airline has objected to service according to demand. The airline is part of the

Swire Group of companies I Mr. John Brembridge, chair operates at present between man of Cathay Pacific, said that Hong Kong and destinations operates at present between the airline had made its appli- throughout. South-East Asia. cations in both Hong Kong and the Far East, and the Middle London.

54m visit historic buildings

54m last year—an increase of

Visiting historic towns and places has become the most popular leisure activity in England apart from walking, according to a survey published today by the English Tourist

ADMISSIONS: Po- historic Monitor" reports that garden buildings in England soared to visiting is the second most popular activity, with a healthy 12 per cent jump. There was a 2 per cent increase at wild-life attractions and no growth

at museums and art galleries. About 1,322 historic buildings are regularly open to the public this year, excluding cathe-drals and churches, with at least 16 opening their doors Heritage for the first time?

BY WILLIAM CHISLETT, IN MEXICO CITY

The bonanza moves offshore



fields officially have proven oil reserves of 12.5bn barrels.

The state company is working until the end of August, when at full steam to develop the two directional (slanting) wells area. Some 4,000 people are involved in offshore production. Headquarters is at Ciudad de Carmen, on the tropical island of Carmen. It is bursting at the seams as Pemex tries to cope offshore production alone could be as high as 2m b/d by the mid 1980s do not seem especially far fetched. In 1976 with offshore production and at the same time with the massive oil spill caused by a blowout on drilling platform Ixtoc I on June 3.

Some Pemex technicians sleep in tents on the beach at Carmen because accommodation in the town is utterly inadequate. reserves are 40bn. barrels. There are only three flights a potential reserves amount to week to Mexico City which 200bn barrels, but these figures means that some staff have to are believed to be mainly based on onshore reserves. Pemex has given no official offshore reserve rivers and the Campache lagoon figure, but did let out that it in ferry boats to get to the considers the Campeche area to island. The journey takes a good be far richer than the nearby four hours.

two directional (slanting) wells are completed. The Ixtoc structure alone has reserves of 800m barrels and as there are at least 60 well-defined hydro-carbon bearing structures in the Campeche Bay, it is quite clear that the offshore reserves are very large. A dry hole is almost unheard of in the bay. Pemex refuses to disclose test flows from its current drilling operations for fear of intensifying U.S. interest. The U.S. imports

about 400,000 b/d from Mexico

would like much more.

That compares with U.S. consumption in 1978 of 18.3m b/d, or EEC consumption of 11.1m The whole Campeche area, where structures are being located, measures 8,000 sq km (about 3,100 square miles). The present production area, known richest onshore fields, known as Since the Ixtoe blowout, as Cantarell, which comprises Reforma, in the states of which destroyed the platform, Akal C. Nohoch A. Nohoch B. Chiapas and Tabasco. These 30,000 b/d, have been pouring Akal F. Akal J. Akal I. Akal

H and abkatun is about 700 Cantareli-complex it consists of sq km (about 270 square miles). a seven well drilling platform into the sea and there is little sq km (about 270 square miles). Abkatun oil is of 33 degrees chance of controlling the flow API gravity with 1.5 per cent sulphur content, and the rest 22 degrees API and 3.6 per cent sulphur. At the moment, gas is flared. In the long run Pemex may decide to connect the field to the national gas

Water depth is between 35 and 75 metres (115 and 250 ft). At the moment there are 10 drilling platforms, two production platforms and one collec-tion platform. Eventually there will be 32 platforms: 25 drilling. four production, two accommodation and the connection platform.

The drilling platforms have either seven or 12 wells each. They strike oil-bearing rock from between 500 metres and 1,500 metres (1,600 and 4,900 ft) below mudline. Mexico's offshore reserves are going to be more economical and easier to exploit than the North Sea. Akal C is the hub of the

which feeds the oil to a production platform for processing From there it is then pumped a matter of yards to a collection platform. After separation—the gas being flared—the oil is sent through a 38-inch diameter, 100-mile long (about 160 kilometres) pipeline to Dos Bocas, where work has started on constructing a port capable of storing 11m barrels and loading 250,000 tonne tankers. As the port is not finished, the

oil is pumped on a further 43 miles to the inland terminal of Cardenas and from there is a plied from Japan. third pipeline of 65 miles to Except at the centres of ac-Nuevo Teapa and the port of tivity, there is little so far to Pajaritos for incorporation into show that the Bay of Campeche the national pipaline system or could become one of the world's

The initial capacity of the 36-

Apart from a couple of enapart from a couple of engineers from Eastman. Whipstock the staff is Mexican: a sensitive point for Pemex, the bastion of nationalism in an intensely nationalistic country which nationalised its fill industry as long ago as 1938.

Diving the construction of the platforms, and the pipeline to Des Bocas the foreign presence was more noticeable. Serious seismic work only started in 1972, and exploratory drilling in 1974. In 1975 the Chac I well was finished and produced 1,000, b/d test flows from rock of palaeocene age at 3,500. of palaeocene age at 3,500 metres (about 11,500 feet) depth. The Cantarell field can be worked on two levels and drilling deeper to the jurassic stratum showed good oil and gas prospects. The area has a mixture of galespects sands and clays of varying density.

The speed with which the Dos Bocas pipeline was built was impressive. Fabrication of the pipeline and the jackets only stated last submer. A Houston company Brown and Root, was awaided seven jacket contracts and six went to four Mexican yards. Pemex libes to keep the work in Mexica but the Mexican work in Mexico but the Mexican companies were heavily stretched to keep up with onshore construction.

Pipeline rolling had to be largely contracted abroad because Tubacero, the private Mexican steel mill, was working as fast as it could to supply lengths for the 774-mile (about 1.240 kilometres) long gas pipeline from the Reforma fields to Monterrey hear the IIS honto Monterrey near the U.S. border. Steel stock is mainly sup-

largest offshore oil producing areas. However the Carmen The intriar capacity of the so-areas. However, the Carmen inch pipeline from Akal C is islanders speak at the area as 240,000 pairels a day, but with though it were a new Sandi compressors that can be raised Arabia. Uttle has begun to 550,000 b/d. Once offshore change on what was once a production reaches 500,000 b/d. sleepy island dependent upon a second pipeline will be needed. Islang for its averaginod.

Steelworkers agree to talks on Corby's future

BY NICK GARNETT, LABOUR STAFF

enfor

poration's cliairman, told members of the TUC Steel Industry Committee at a meet-ing on Teesside that manage-

that it is not possible to make money while heavy fron and steel plants et Corby and Shotwhere iron and steelmaking is also being ended.

remained in production.

Sir Charles said the corporation was still prepared to seek with the unions an afternative to closure at Corby but no alternatives had so far emerged. " I am determined to save the core of the British Steel Corporation at all costs and it is not a

safe situation that is facing us," said Sir Charles. The meeting at Corby will involve Mr. Bob Scholey, chief executive. Mr. Harry Ford, director of the Corby works and Harry Armitage managing director of the Tubes Division as well as union effects.

well as union officials. Steelworkers at Corby are expected to mounf a demonstra- yesterday that the unions would

STEEL UNIONS yesterday strongest possible action to save agreed to meet management at the plant. Some officials are the Corby Morthants, works on proposing an identitie national

September: 30 to discuss the strike.

September: 30 to discuss the strike.

In ture of the plant where the Sir Charles reaffigured that British Steel Corporation is the corporation had no intenseed the shut down of steel tion of closing the facts section making with the loss of 6,000 at Corby or the finishing end at loss.

Sir Charles Villers the core and of both plants were a grave poration's charman told roncarn however.

Iron and steel dents are
coming into profesion at

ment would look at any figures car, Treside in the next 12 the unions sented to produce months. The correction in which they believed showed tends sending low jost steel Corby could be viable. The corporation maintains the finishing mills at Shotton hat it is not possible to make and Corby.

Sir Keith Joseph Ladustry Secretary, has tolk the cor-poration that the Gazernment will not continue to fund its revenue losses after March. Mr. Bill Sirs, chairman of the TUC Steel Industry Committee and general secretary is the Iron and Steel Trades Confederation. told Sir Keith last week that unless cash limits were relaxed. 20,000-30,000 more gels would be lost next year.

The unions have been attempting to make as strong a case as possible for the continuation of steel-making at Corby. A union research document says that British Steel has greatly exaggerated cost sevings it would make by closing Corby.

Mr. Sirs told Sir Charles tion march today as well as hold not agree to any more plant a meeting to rote or a resolution closures unless the responsition from the joint union branches could prove to the thirds that committee calling for the the closures were necessary.

Cargo ship held up in back-pay dispute

Frederika, had discharged a the port without an FIF agreeload of fertiliser from Rotter-ment," he said. dam. It was due to leave when The owner of the ship, man-the dispute, involving a crew aged by Libra Shipping of Rot-of six and the owner, broke terdam, is understood to be

Yesterday Mr. Harry Bygate. home in Belgium. National Union of Seamen offiial and ITF representative in Abordeen, said there had been a complaint over the level of wages, which were well below ITF agreed rates. Several thousand pounds of back-pay was involved for service ranging from five weeks to a year. A THE THE textile clothing and chief officer, chief engineer footwear industries committee and cook, all British, and three has asked for an urgent meeting Portuguese seamen were in-

" My instructions were to stay aboard the vessel and not

A PANAMANIAN registered sign off articles. The up will cargo vessel has been held in not sail. It is stalemant in the Aberdeen harbour by the Intermoment," said Mr. Bratic Benational Transport Workers cause of similar process in Federation, because of a dischericen previously. Iwai is pute over back-pay.

The vessel, the 500 ton convenience vessel coming to

flying to Aberdeen from his

Textile aid cutsfleared

with hir Keith Joseph, Industry Secretary, to express its alarm at Government plans to cut

OUTPUT PASSES 1978 FIGURE AFTER ONLY SEVEN MONTHS

Halewood's productivity earns Ford praise

ORD'S HALEWOOD plant on Merseyside often the problem child in the company's European family—has this week been receiving some high praise from Ford's British boss.

In a letter to local newspapers, Sir Terence Beckett singled out much higher productivity and better than ever labour relations at Halewood as major contributors to a very good Ford performance in the first six months of 1979.

In fact in the seven months to the end of next week—the start of the plant's three week summer shutdown—Halewood will have produced 123,000 Escort cars, estates and vans, 3,000 more than in the whole of last year.

The better performance this year is particularly welcome to plant executives, who last year succeeded in persuading Ford's Dearborn headquarters in the U.S. to invest a further £200m in Halewood, the com-pany's biggest ever UK invest-

ment project and its biggest current project in Europe. In Saarlouis, Halewood's sister plant in Germany, it takes just over half as many man hours to produce the Escort, and Halewood itself with a daily output of 960 cars is

still running some 200 cars below the capacity Ford believes it could achieve. In order to meet the current high level of demand for Escorts, Ford has been immodels porting from Germany, padding out still further Britain's car imports

The £200m investment which Ford has started putting into Halewood will give the company almost certainly the most highly automated car plant in the UK-including some robot production—and the company will clearly be expecting this to pay for itself in time in higher out-

More than half the total is associated with the introduc-

tion of the new Escort replacement (code-named the Erika project) into Halewood which with Saarlouis will be the main European base for the vehicle. The car will use engines made at the company's New Bridgend plant in South Wales which is also expected to supply production lines for the model in

The rest of the money will go on general up-dating of equipment, much of it now dating back 16 years to the opening of the plant.

Giant new presses, some of them automatic or semiautomatic, are to be installed at the plant which is already pressing centre, supplying panels to meet company needs at Southampton, Dagenham, Cologue, Saarlouis, and Genk in Belgium as well as at Halewood itself.

Further automation of the paint lines, where a fully automatic enamel coat spraying system

action at Devonport dockyard.
The blooding of the IPCS,

traditionally regarded as the

leading moderate among the

Civil Service unions, has been

enough to swing the unions behind an overtime ban and

further measures as a "mini-

mum code" of co-ordinated action. The three-month re-

cruitment ban imposed on the

Service and the longer-term re-

view of posts now going on

which could lead to the loss of

up to 150,000, have added to

Disciplined

of the present IPCS claim when

discontent.

principle.

per cent.

was put in last year, is also planned. Because of the configuration of the car, full details of which have yet to be announced, the lines bringing together key components such as engines, suspension and transmissions for insertion into the body

will also have to be re-

The robot equipment will be installed in the metal assembly section where different steel pressings are brought together to form body sections. The plant already uses automatic welding equipment capable of performing as many as 70 spot welds in

designed.

a matter of seconds The new equipment, which will be controlled by micro-processors, will carry out some of the more difficult as well as the more tedious weld-ing tasks now carried out by assembly line workers. Much of the welding will continue to be performed manually but this too will be brought under

electronic control, making it easier to maintain quality

checks Ford is aware that the introduction of these changes is going to represent a major industrial relations challenge. Union opposition was voiced last year over the installation

of paint equipment because

of the feared effect on jobs. Consultation has already started with the unions, however, The company has emphasised that the changes will not reduce jobs though there will need to be moves between departments.
Ford's belief is that, as in the

U.S., the European car market is going to become much "customised" -- every vehicle incorporating a different range of options speci-fied by the customer-and that appearance and finish will be regarded by corporate and private buyers as increasingly important.

Thus, while robots may take over back-breaking welding jobs more employment will be created in final assembly and quality control.

Ford's task is to secure these changes in the deployment of its workforce without disruption, while continuing to raise productivity, and it is basing its hopes on evidence of a change of mood on Mersey-

Though still not up to the output standards of the continent, Halewood's recent performance compares with only 600 vehicles a day a year ago and absenteeism, at 10 per cent, is lower than at Dagenham or the group's Continental plants. The two Ford plants in Liverpool employ 14,000

In Halewood, only a few miles from the Dunlop plant closed this year with the loss of 2.400 jobs and EL's Triumph No. 2 plant closed last year with the loss of 3,000 jobs, a secure job at Ford is clearly worth preserving in difficult

Rail council gives policy role to unions

By Lynton McLain

BRITISH RAIL'S joint management and union council met for the first time yesterday with a commitment to allow unions a greater role in policy formation.

Sir Peter Parker, British Rail chairman, said the council would avoid some of the "contradictions" of unions being represented on the main BR

The council will debate future planning, marketing, financial information for employees. public affairs and special projects.

Yesterday's meeting was attended by general secretaries and presidents of the main rail unions, including the National Union of Railwaymen, the Transport Salaried Staffs' Association, the Confederation of Shipbuilding and Engineering Unions and the British Transport Officers Guild.

British Rail was represented by Sir Peter, Mr. Michael Bosworth, deputy chairman, Mr. Ian Campbell, chief executive, and other board members.

Ways of improving the railways' financial framework, and

British Rail said there was no overlap between the roles of the council and of the four-yearold British Rail Joint Consultative Council which enabled management and unions to discuss mainly railway operational

matters. The council will meet every quarter under the chairmanship of Sir Peter.

NEWS ANALYSIS—CIVIL SERVANTS

Technologists' pay battle

BY PHILIP BASSETT, LABOUR STAFF

SENIOR Ministers will meet union officials today to try to resolve the third major bout of at RAF Benson in Oxfordshire disruptive industrial action this and the USAF base at Bentyear by the Civil Service waters in Suffolk and further unions.

The nine unions in the Service are not normally noted for their overt militancy. But for the whole of the past six months one or other of them has been taking action which has had serious effects on Government and industrial cash ow, Post Office finances and key defence work

The effect of the selective strikes by members of the Civil and Public Services Association and the Society of Civil and Public Servants from February to May is still being felt in many Government departments and on indicators such as the balance of payments figures published this week.

Action by members of the same two unions in the Post Office, though likely to be drawing to a close soon, has held up payment of telephone bills worth more than £700m and caused the Post Office to borrow £5m a day at commercial rates from its already beleaguered postal business.

Today's talks between Lord tion of Professional Civil Servants, are a bid to end a series of selective strikes. These have halted the loading of abandoned what some officials Polaris nuclear submarines, virtually stopped work in some Government dockyards, and disrupted defence and other key communications, some power supplies, the minting of coins and the publication of Government papers, including Hansard.

Further effects of the action 34 per cent, but the union has on the upper quartile of the yesterday included disruption with apparent success kept them to their industrial action in support of the claim for 50,000 technologists which Lord Soames and Mr. McCall will discuss

> The IPCS, though, has run into operation on its 36-47 per cent claim not only, as expected. from the Civil Service Department, which has offered increases of 15.5 to 24.1 per cent, but from the other unions.

The SCPS, which represents some administration grades of roughly parallel seniority to IPCS members, has already indicated that it will seek to reopen the main Civil Service deal if the IPCS achieves its

Some other union leaders Two elements have been com-Two elements have been com- feel the same way. In an un-mon to all three disputes: the usual alliance with the Civil Service Department, they are principle of pay comparability with private industry, and the arguing that too often in the use of selective, tightly-discip- past the IPCS has boosted its liged strikes by often a small pay rises by claiming special number of staff to fight for that factors, and that this time the union should test its case at

The unions, in line with the arbitration. image of their members as The IPCS, though, maintains being careful and methodical, that negotiations are not have capitalised upon the in-exhausted and that arbitration creasing centralisation of work is not the right forum for a and the use of computers, their judgment to be made on the Soames, Lord President of the strikes have been small, highly important points of principle Council, and Mr. Bill McCall, effective and relatively inexpen-which it feels the technologists' The Government settled part

Precedent

the Civil Service Department It is unlikely that many other groups would take strike action privately regarded as an unjustified insistence that this year's increases for about 20,000 over what to an outsider appears to be a mathematical distinction. scientists should not be linked Civil Service pay is normally to the administrative grade settlement, which will give average rises by January of 25 per cent nologists' rises should be based ing action.

range of the unit's comparisons. The Department insists that they should be based on the medians.

The cash difference, though can be wide and the IPCS regards a median-based rise as setting an unacceptable precedent. It argues that in five rises between 1965 and 1975 the increase for the group gave the unit's medians plus an average of more than 14 per cent, including one arbitration award in 1974 which gave the medians plus 20 per cent.

Accordingly, the union's claim is for increases on average 15.6 per cent above the 1979 medians. For the principal professional and technology officer, for example, whose maximum pay last year was £4 above the equivalent administration grade of principal, the claim is for 45.2 per cent, to take the

rate from £8,724 to £12,675. The unit's median entitles the grade to £11,426. After deductions of 2.6 per cent for an inflation-linked pension and 4.57 per cent for differences in hours and leave and a further adjustment for unquantifiable factors tike offer has been nut at £10,700, or an increase of 22.57 per cent. The correspond-34.6 per cent to £11,750.

The IPCS has suggested that conciliation might be a way out of the dispute, and the Advisory, Conciliation and Arbitration Service is keeping close contact with developments. The two based on the findings of the Pay sides are firmly entrenched, Research Unit comparability however, and some hard talking study with outside industry. The at today's meeting will be neces-IPCS claims that the tech- sary to prevent further damag-

Directors call for end to closed shop

By Gareth Griffiths

THE Institute of Directors has called for the abolition of the closed shop and says the Government's proposed trade union reforms do not go far enough.

An institute deputation is meeting Mr. James Prior. Employment Secretary, today and will ask for provision for picketing cases to be taken to the criminal court. Mr. Walter Goldsmith.

the Government had an opportunity to introduce radical changes into industrial rela-The institute also says that

Director-General, said he felt

the Advisory, Conciliation and **Arbitration Service commands** no public confidence in drawing up codes of practice. The institute wants greater

legal ciarification on picketing and says the onus of starting legal proceedings should rest with the police and the Director of Public Prosecutions.

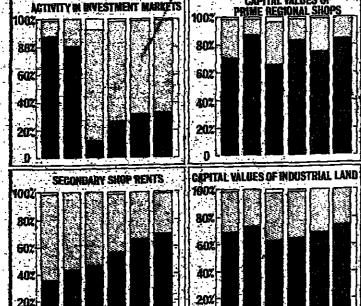
It also suggests a time limit of possibly one month on picketing and restrictions on pickets' numbers.

Mr. .Goldsmith said the institute's views reflected those of managers as individuals. He said it was able to take a more outspoken view on the Government proposals than the CBI.

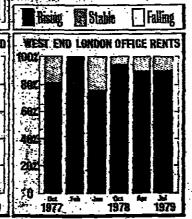
Official strike

THE STRIKE at the Chrysler ' factories at Ryton and Stoke in Coventry has been made official by the Transport and General Workers' Union.

PROPERTY MARKET INDICATORS



● A poll by the Royal Institution of Chartered Surveyors. RICS members' firms and investing institutions in all regions were asked if there was a rising (R), static (S) or falling (F) trend in rents. investment yields, capital values and investment activity for different classes of commercial and industrial property.



Rentals still rising

ment activity but some early rentals elsewhere, the rising premises are edging upwards cyldence of a trend to higher trend was reflected for all other. Not surprisingly, the trend yields. These are some of the types of property, from shops for capital values since the last points revealed in the 11th to industrial space, though a poll in April has continued to national poll of surveyors car- growing number of respondents show an upwards movement. ried out by the Royal Institution suggested the incidence of static while offices and shops have of Chartered Surveyors in conrental patterns was rising. reflected the trend, the most junction with the Financial

which remains confident about longer-term prospects in the face

inquiry been a small move low levels in the wake of heavy towards the stabilisation of and continued institutional day and increase in capital office rents nationally, although ing. But in the office sector, a values, though the trend was the overwhelming majority of small number of respondents less marked in the office sector, respondents in the City of Lon-now say they have evidence for two-thirds of respondents don, West End and the the first time of rising yields on believe that the level of investment of the CLC area say the City of London and the rest ment activity remains stable, with almost the article and the city of the CLC area though not else.

rents are still rising. of the GLC area, though not Even so, during the last poll where in the south-east. hardly any participants in these areas reported static rentals and generally static picture remains,

thought to be growing particu- has involved modern factories, The poll, which tested opinion larly in London and the south warehouses and industrial land east, while rental trends for . The latest poll shows the strength of the property market secondary retail properties, great majority of members houses are still upwards.
On investment yields, the poll

of the GLC area, though not else-

For prime regional shops, the

STILL RISING rentals, improve now some suggest that this is though there is some evidence ing capital values, strong invest- beginning to be seen. As for that yields on secondary retail Not surprisingly, the trend Prime shop rents are still significant area for improvement

modern factories and ware taking part reporting rising capital values in these three of economic uncertainty.

On investment yields the poll sectors, the trend being strongest in the south east. On a national basis, respondents believed all sectors continued to towards the stabilisation of and continued institutional buy show an increase in capital

> suggesting that it continue to MICHAEL CASSELL

The scientists settled for 17 to EAST YORKS & EAST WEST **AREAS** ANGLIA HUMBER MIDS. SCOT. WALES SW IRE. GLC (EX-LON.) N MIDS. JONAL Compared with three months ago: QUESTION 1 What is the trend in rents ? (a) Offices (b) Prime Regional Shops (c) Secondary Shops (d) Modern Factories (e) Modern Warehouses What is the trend of invest yields i 33 33 33 100 0 . 10 (a) Offices (b) Prime Regional Shops 20 73 7 33 33 77 15 72 (c) Secondary Shops 23 76 18 33 (d) Modern Factories 33 (e) Modern Warehouses 35 **OUESTION 3** What is the trend of capital values 89 D (b) Prime Regional Shops (c) Secondary Shops 67 33 100 (d) Modern Factories 70 (e) Modern Warehouses (f) Industrial Land

Tories welcome

curbs on Board

BY IYOR OWEN

They were seen as a "first

step," towards cutting the NEB

down to size by Mr. Michael Grylls (C. Surrey NW), who

has taken a leading role in exerting back bench pressure

for radical measures to end its

interventionist role.
While Mr. John Silkin, the

vigorously attacked the pro-posals, the fact that Sir Keith

admitted that the Government

will make little immediate difference to BL, clearly concerned some Tory MPs.

Mr. Nicholas Budgen (C.,

mented: "The dilemma in

relation to BL is that the more

they believe that the taxpayers'

Sir Keith, who reaffirmed the

Government's confidence in

Mr. Michael Edwardes, seemed

willing to accept this view, but

arrangements had achieved a

change of atmosphere to some

extent in some places-" parti-

cularly in one or two places."

that the Government's insistence

assets will involve forced sales

with the taxpayer getting the

Sir Keith also came under strong attack from Labour MPs

when he sought to justify the

acquisition by the private sector.

Mr. Frank Hooley (Lab. Shef-

worst of the bargain.

He rejected Opposition sug-

that the present

Wolverhampton

Minister.

SW) com-

Industry

Shadow

Greater part of NEB holdings to be sold

day made the following state- private sector. ment to the Commons on the

chairman of the NEB Board.

"I have, too, met the Board's able. regional directors when I "If other cases arise where visited Liverpool and New the private sector is unable to castle. I pay tribute - as I have before - to the sense of public service and the energy of all concerned with the NEB. course. But the House knows that

of 1975 and 1979, and in our Manifesto we promised to reduce the NEB's powers. We private initiative and enter- aim of restoring the company prise, not the promotion of pub- to commercial health as quickly

UK faces 17 isolation 4 at Lusaka

By Richard Evans, Lobby Editor

LABOUR LEADERS are convinced that Mrs. Thatcher faces a major upheaval at the Com- than before. monwealth Heads of Government conference in Lusaka next unless specific and acceptable proposals are put solving the Rhodesia crisis.

The fears will be expressed by Mr. James Callaghan and Mr.
Peter Shore, shadow Foreign
proposer of the motion to bring Peter Shore, shadow Foreign Secretary in a Commons debate next Wednesday on Southern

The Prime Minister will be creasing number of people now the main Government speaker, helieved From private soundings made methods of combating attacks by Opposition leaders among on society are not working." Commonwealth colleagues. Mr. Griffiths, Parliamentary there are growing signs that adviser to the Police Federation. Commonwealth members will seek to isolate Britain if they believe that sanctions are to be lifted in November and recognition granted to the Muzorewa the capital sentence deter or Government.

The major danger continues who in cold blood plan and to be Nigeria which has been carry out the malicious killing threatening economic retaliation of our fellow citizens?" which could badly damage Britain's trading interests in West Africa.

But apart from Nigeria, sciously to take the life of any Labour leaders believe there of its citizens? are other Commonwealth countries who could adopt a similar questions should be made by attitude unless there is a MPs rather than the public. He the death penalty to terrorists. change of heart by Mrs. Thatcher.

. The Government's present ment. intention appears to be to see Lusaka as purt of the continuing process of consultation, and to reach a decision on strategy until after the confer-

Mr. Callaghan's fear is that this might not be enough to placate those in the Commonwealth totally opposed to recognition of the Muzorewa regime. Mr. Callaghan will also press on Wednesday for details of the Government's thinking

sanctions. Mrs. Thatcher has admitted there is little chance of renewing sanctions in November without Labour support.

However, it is not yet clear the Government intends to lay an order renewing sanctions for a further year and bringing the issue to a vote, or simply allowing the legislation to lapse.

There will be considerable pressure during the Conservative Party conference in early October for sanctions to end, so Ministers may not be anxious to reveal tactics at this early

Closed shop defence denied

MRS, THATCHER yesterday denied a Liberal suggestion in the Commons that the Government Law Officers weer defending the closed shop in a case at the European Commission on the effect of the high level of Human Rights at Strasbourg.

SIR KEITH JOSEPH, Secretary "But it will take time to of State for Industry, yester restore the full vitality of the

"In the meantime, the NEB Government's policy towards will have a continuing role for the National Enterprise Board: those companies which have "Over the last few weeks, I been in difficulties and for have carefully reviewed the full which it now has a responrange of the NEB's activities, sibility, so long as the business My colleagues and I have had concerned has a prospect of several discussions with the viability and no solution based on the private sector is avail-

> "If other cases arise where provide a solution to a company's difficulties, receivership will normally be the right

"In a wholly exceptional case, we opposed the Industry Acts circumstances could arise in of 1975 and 1979, and in our which the NEB might — but only on the Government's initiative - provide temporary and tapering support, with the

MPs CROWDED the Commons

last night as the hanging debate

Mostfelt sure that when they

had all trooped through the

division lobbies later in the

evening, thre would once again have rejected the death penalty

—though by a narrower margin

Mr. George Thomas, the Speaker, told the House that

more MPs had informed him of

their wish to speak than he had

known for any debate pre-

Opening the debate-in which

back the death penalty, Mr.

Eldon Griffiths (C., Bury St.

Edmunds), said that an in-

said the principle of capital

punishment raised practical and

moral issues.

The practical issue was: "Can

hope to deter these evil men

And the moral question: "Is

The answers to those

THE GOVERNMENT'S policy of

tight control of the money

defended in the Commons

Chancellor of the Exchequer,

and Mr. John Biffen, Chief

They were backed up by the

Prime Minister, who said that

liberalisation of exchange con-

trols would ensure investment

overseas which would be in the

long- term interests of the

country, particularly when

Although she conceded that a

high level had its problems, Mrs. Thatcher added: "Undoubtedly

a rising pound on the levels we

are seeing now will help infla-

tion to come down. It is a factor

which helped the last Govern-

ment and I believe it will help

Throughout question time, the Labour front bench. led by

Mr. Denis Healey, the shadow

Chancellor, mounted a fierce attack on the Government's

Mr. Healey said that leading

companies. including Court-aulds. Wedgwood and Gestetner.

had expressed concern about

economic policies.

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Secretary to the Treasury.

opposed the idea of a But he added:

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

supply, high interest rates and a his critics:

referendum on capital punish- cases, a terrorist may prefer to

high value for sterling strongly monetarist policies have the

yesterday by Sir Geoffrey Howe, Cabinet, and are recognised as

inflation."

merits.

our civilised State entitled,

under any circumstances, con-

"that our present

there is any other activity it could undertake consistent with NEB to make a substantial reour policies.

"I see no public benefit in enabling the NEB to act as a general merchant bank and its powers to promote businesses, or buy shares in them will be restricted within very clearly defined limits. Our policy (as the manifesto envisaged) is that the greater part of the NEB portfolio should be sold as circumstances permit, having regard to the interests of the

taxpayer and the companies. "I look to the NEB to make disposals to the value of £100m in the current financial year, as before the NEB can sell them. foreshadowed in my Rt. Hon. Friend's Budget However, I do not think it is in interest of the companies con- For my part I see this role as

would be to pressurite some

MPs to vote in an opposite sense to what their judgment

and conscience had led them to

helieve is right. And that

would make a mockery of this

Statistics on capital punish-

ment were inconclusive. There

was no conclusive proof on the

effect of abolition or whether

restoration would cause an increase or decrease in the

Mr. Griffiths said that arearms

had been used in only 43 rubberies in London during

1963, the year before capital

punishment was abolished.

well over 1.000.

the past year.

This year, the total will be

"The loss of the capital

favour of the gunman and

Now, thousands of police were

thoroughly trained and skilled

public unease that three people

had been shot dead by police in

He accepted that there were

"In many

Howe defends economic policies

special problems in applying

wholehearted support of the

being an essential precondition

for a reduction in the rate of

Sir Geoffrey argued that the

case, for relaxing exchange

controls stood on its own

He agreed that lower interest

rates were desirable, but until

public spending and the growth

of money supply had been

brought under control " it would

be folly to reduce interest rates

growth was central to the

Government's economic policy.

The Chancellor emphasised

control of monetary

for their own sake."

marksmen-and there was

against the police," he said.

number of murders, he said.

Parliament.

House packed for hanging debate

"Its only political effect martyr."

"I shall also be requiring the term to the role now. current year and in the follow-

established high technology as practicable. companies, chiefly concerned with computer software, microelectronics and their applications and which I believe justify special attention. "The market has been dis-

couraged in recent years from supporting such ventures. Time will, anyway, be needed for these companies to evolve "In the light of this it seems statement. sensible to use the NEB as one means of familiarising the the public interest, or in the market with new technologies.

The police had told him that

where the hired assassin had

to weigh up the possibility he

might die, his price went up.

He was convinced that in such a case, a death sentence acted

Mr. Griffiths said: "What we

shall not be deciding tonight is to re-introduce the death

sentence." Instead. MPs would

decide whether the sentence of capital punishment would

Labour's former Welsh Secretary, John Morris (Aber-

avon) said it was up to those who sought restoration of

haging for murder to prove

their case. Mr. Griffiths had not been able to prove that the

death sentence would lead to

a decrease in murder.
This, he said eclipsed almost totally the whole of his

I find the whole doctrine of

There is no evidence to

One of the chief supporters

of the move to restore the death

penalty. Mr. Hugh Fraser (C.,

Stafford and Stone) attacked the

when we can be sure that mone-

tary growth is under control."

by the end of the year.

conclude the death penalty would in any way affect or

diminish the amount of mug-

robbery

argument

vandalism.'

a civilised society.

be a hero rather than to be a groups responsible for killings. capital punishment.

"The present emphasis would have to be

tary objective.

sentence has changed the odds an eye for an eye and a tooth in favour of the gunnan and for a tooth hardly suitable for

be available to the courts.

Terrorists came in three categories: the fanatic, those motivated by a "ragbag" of must not be allowed to himself and the professional.

notions, and the professional. the hands of individuals, such hired assassin, said Mr. as the Northern Ireland Griffiths.

and I would not wish to put a small firms, seeking always to

duction in its expenditure in the limited-but clearly defined. The objective will be to secure in each case the maximum in each case the maximum amount of private investment, in each case the maximum investments which the NEB has with a view to full private made in a dozen or so newly ownership in each case as soon

The NEB will be able to re-invest some of their receipts from disposals of these companies in new high technology ventures, but only in partnership with private capital. market that has met the huge risks of North Sea exploration should find no insuperable difficulty here.

The Government is also much concerned with the problems of the areas of high unemployment. An element of that regional policy is that the NEB. should continue to exercise an cerned, to identify them now or being necessary only until the industrial investment role in the

Society must have the monopoly

must not be allowed to fall into

to happen "the whole civilised state would be in danger."

Mr. Fraser said the so-called

liberal progressive approach

to violence in Northern Ireland

Steel, said that the State should

not "render evil for evil" but

should show its superiority and

not stoop to the " mindlessness

of murderers and terrorists.

The power of life or death

"Given that the NEB has this specify the timing of their dismarket is clearly strengthened North and North-West and with role, I have looked at whether posal by the NEB.

and I would not wish to put a small firms, seeking always to maximise private investment "The Budget for it will be and with the objective of transfer of full ownership to the private sector as soon as possible

"The NEB's regional role will be very similar to the industrial investment activities of the Scottish, Welsh and the Industry Secretary, for Northern Ireland Development limiting the activities of the Agencies in Scotland, Wales and National Enterprise Board. Northern Ireland Development Northern Ireland respectively.

"We will introduce a Bill as soon as possible to give effect to these policies. We will sharply reduce the financial limits laid down by the 1979 Industry Act and amend the powers of the NEB set out in the 1975 Act in accordance with the policies I have just announced.

"New guidelines will follow which will set clear objectives for the NEB to achieve. Within have my full support.

Review of **Ulster** industry

By Our Belfast Correspondent

money will be available, the more difficult it is to get the MR. HUMPHREY ATKINS, the Ulster Secretary, has ordered a review of the financial assistcompany and all its employees at all levels to accept different ance available to industry in the province to ensure that the practices in their work." lovernment is getting full value. The Liberal leader, Mr. David for money.

This follows a decision not to change the level or type of aid provided in the region. Grants for developments, which can reach 50 per cent depending on location, will continue, as will the Government's factory building programme.

In terms of incentives for new investments and for expansions, Ulster would-remain the most competitive region in the UK, Mr. Atkins said.... However, he wanted to ensure

that such assistance was the The real way to tackle the most effective instrument for problem of terrorism and the Government's purposes and that it received full value for violence was to create better the resources available. The Northern Ireland Econo-

> In a letter to Mr. Atkins, it argued that more effective use of public aid could contribute significantly to the solution of the province's difficulties. Sir Charles Carter, the chair-

man, said it would be willing to help find ways to improve the cost effectiveness of job crea-Although it is clear that the Government will scrutinise more closely applications for aid, it seems that efforts to

It is recognised that the improved flow of foreign investment must increase further if not drop over the next few any dent is to be made in the months, he would have no province's unemployment figure province's unemployment figure

confirmed that the LFE Corporation of Waltham, Mass., is to begin production of pumping equipment in Belfast late next

As the European market is developed, the complete assembly will be carried out in Belfast where about 300 people

Mr. Steel said that, as an mic Council, which will meet Mr. Atkins soon to discuss pub-"abolitionist," he was con-Mr. Atkins soon to discuss pub-cerned at the development of lic spending, suggested vesterterrorism, but it was an "inter- day that changes in economic policy should not be introduced The Government would be in Ulster until the beneficial taking a "backward step" against it if capital punishment effects from general UK policies became apparent.

> attract overseas industrial projects will not be reduced.

LFE, with total annual sales for mains and waste water pumps which will be sent to the U.S. for final assembly.

will eventually be employed.

THERE WAS a restrained the high technology areas so welcome from the Tory benches that private interests can cash yesterday for the proposals in subsequently on the profits." announced by Sir eKith olseph,

Sir Keith emphasised that the "dowry" which the NEB would receive from the taxpayer for developing the high technology companies would be "very modest indeed."

He told Tory MPs, who questioned the decision to allow the NEB to go ahead with INMOS. its micro-chip venture, that it was under a contractual commit-ment to spend £25m.

But Sir Keith premised that a review would be carried out before any further public money was committed.

When Mr. James Hill (Con. should be left with "significant four modest" responsibilities. Won him approval and some macking cheers from the winer art. Junes Hill (Con. Southampton Test) spoke of the interest of the management and staff of ICL in Second a stake in the NEB's 25 per cent hold-Opposition.

His explanations, making it more than 1500m, he was clear that the new approach more than 1500m, he was assured that this would be taken into account by the Government in framing the forthcominglegislation.

legislation.
Mr. Anthony Wedgwood Benn
(Lab. Bristol SE) argued that
the only effect of the policy
statement would be a "temporary and tapering future for British manufacturing in-dustry on which the standard of living of the people depended.

Sir Keith replied that Mr. Benn constantly confused what was called the stability provided by investment relief for businesses, stock relief provided by the Government and subsidies

for industry.
"We are cutting the subsidies while leaving the investment allowances and stock gestions, backed by Mr. Richard relief in place." Wainwright (Lib. Colne Valley), He told Mr. I He told Mr. Edward du Cana

(C., Taunton), a former chairman of the House of Commons that the NEB must sell off £100m of its State industry Public Accounts Committee, that the question of requiring the NEB to open its books to the Comptroller and Auditor-General would be considered Angry Labour back-benchers decision to exclude the 10 or 12 were last night planning to high technology companies contable a House of Commons trolled by the NEB from the dismotion condemning persal sale, on the grounds that "damaging" statement "damaging" statement by Sir

Mr. Bob Cryer (Lab., Keigh-ley) said later: This is a field Heeley) summed up the damaging blow to British manufeeling on the Opposition facturing industry. It will lead benches with the charge. "The to a lack of confidence and the taxpayer will take all the risk in recession of jobs."

NEB portfolio

they were not yet ready for Keith about the NEB.

General Fairey Holdings United Medical Enterprises

Bull Motors Mollart Engineering British Tanners Products Brown Boveri Kent Negretti and Zambra F. W. Elliott (Holdings).

High Technology

Cambridge Instrument Data Recording Instrument Sinclair Radionics Systems Programming Hidnes INMOS INSAC Data Systems Computer Analysts and

Programmers (Holdings) Computer and Systems Engineering Monotype Holdings

Systems Designers Int.

J. and P. Engineering (Reading) Logica Group : ---Small Companies -Keland Electrics Agemaspark Aqualisa Products

R. R. Chapman Hydraroll

Automation and Technical

Mayflower Packaging North East Audio Pakmet International Powerdrive PSR Sandiacre Electrics Technical Resources (Equip:) Vicort of London Duo Rubber and Engineering Energy Equipment Newtown Securities " (Northern)

Technical Resources (Equip.) BTB (Engineering) Francis Shaw Hemmings Plastics Hird-Brown Rigby Electronics Sapling Enterprise

Britain 'risking racial turmoil'

overnment's economic policy. adhere to firm monetary poli-As progressive reductions in cies, the Chancellor replied that

FINANCIAL TIMES REPORTER

BRITAIN risks racial turmoil f efforts to improve race relations are not stepped up, says Mr. David Lane, chairman of the Commission of Racial The Commission's 100-page

report urges Mrs. t Thatcher, Prime to pledge that Margaret communities minority welcome in Britain. "In this national effort, the most important ingredient is

political leadership, aimed at speeding up the process of adjustment and at changing attitudes and practices," Mr. Lane said. The report records that progress in improving race relations has been slow in the last

year, despite encouraging signs from organisations attacking the "evils of racialism," The Commission's report also showed disappointing results for industrial tribunal cases involving racial discrimination. Out before the law is put to Parliaof 298 cases only 20 were ment,

successful. However, Mr. Lane added that 17 of the successful claims were represented by the Commission's own staff and legal experts.

He warned that the meagre progress could be upset by three flashpoints." • Policy and administration of

immigration control. • Relations between the police and ethnic minorities. • The Notting Hill carnival.

The report calls for a Govern- between

ment inquiry to make present youths.

immigration procedures fairer and more humane. It threatened that if the Government fails to respond, it would undertake the task itself. The Home Office told Mr. Lane recently that if the Com-mission began an investigation,

its action would be ultra vires -beyond its legal powers. Mr. Lane's request for more resources to increase the Commission's activities was also refused on the grounds that the

country was facing a financially strnigent period. There has been growing eriticism among minority com-munities that the Commission has not been using its existing powers effectively. Many feel that it should also be formulaing proposals to present to the Government on the threatened

nationality law. Observers this that the Government will provide little opportunity for discussion

However Mr. Lane believes that the Commission has already made its position clear to the Government. He appears more concerned

at producing the Code of Practice-expected to be published in the autumn — which will help eliminate discrimination and promote equality of job opportunity. The Commission is also concerned with worsening relations

urged him to follow the example of Switzerland, which abandoned its monetary

is absolutely no intention on the part of the British Govern-

COMPANY NOTICES

gge

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Company Limited	46 · 1	190 cents 95 tents	ļ.
			٠.

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1972/1987 61% Lux. Fr. 800,000,000 External Loan Bondholders are informed that the City of Oslo has satisfied the Lux Francs 25,000,000 instalment due September 25, 1979. by Bonds purchased in the open market. Amount dustanding: Lax Francs 625,000,000

The Fiscal Agent-KREDIETBANK

S.A. Luxembourgeine Luxembourg, July 20, 1979 WORLDINGEST INCOME. FUND

PUBLIC NOTICES

1.1m Silk history (2th Jusy 1979; due 7th October 1972; 2, 15 25 Steps 1, 10th amblications 15 Sps. No other will statements. CITY OF EDINBURGH

£1.500.000 Bills matering on 17th Otto-ber 1978, were offered and issued on 18th July 1979 at an exercise rate of 18th July 1979 at an exercise rate of 18th 25 p.a. Total applications for this issue 272,000,000 Bills overtanding. LOCAL AUTHORITY SILLS

مكنامن المثمل

police and black

the PSBR and public expendi- he would not like to endorse Government case when he told ture took effect, however, less that proposition. Returning to the attack, Mr.

Terrorists who were prepared

to be blown up by their own

national phenomenon.

was reintroduced.

growing number of terrorist bombs would not be deterred by

placed on interest rates to Davies asked whether secure the Government's mone-Chancellor could confirm that if the level of bank lending did The increase in Minimum Lending Rate was necessary alternative but to put up of nearly 11 per cent.
interest rates if the GovernMeanwhile, the Government immediately to reduce the excessive rate of growth of the money supply." he said. was to achieve its "It should be possible to monetary targets. allow a fall in interest rates

Geoffrey replied: "I expect that that to Sir don'i happen. Biffen

Mr. Denzil Davies, a Labour attack from Mr. Healey, who of more than £160m, will urzed him to follow the initially manufacture castings Treasury spokesman, said there had been suggestions that to keep money supply within the Government's targets, interest rates would have to go higher policy to save its industry.
Mr. Biffen replied: "There But, while stressing that the Covernment was determined to

ment to abandon its monetary policy"

PORTUGAL

Faced with a precarious economic situation, rising unemployment and inflation, the long-suffering Portuguese continue to show remarkable resilience in their ability to absorb the failure of politicians to provide continuous and stable government.

Urgent need for tough decisions

By Robert Graham

FIVE YEARS after the revolution in Portugal an effective means of democratic government remains elusive. For the second time in a year the country has a caretaker government and once more the long-suffering Portuguese are presented with President Eanes embarked on an unhurried search for a new

Since the first elections in 1976 numerous formulas have been tried but the pack has been shuffled so often that the combinations appear increas-ingly unattractive to the principal participants. The most positive thing to be said is that sense at all for an elected Par-the country has been able to liament to stand aside while a

torn and impotent. President showed the politicians what bridges with the Communists.

Eanes used his Residential powers to call on Sr. Alfredo Nebre da Costa, win had no party affiliations and was considered a technocrate Sr. Nobre da Costa proved a

businesslike operator, prepared to confront the pressing prob-lems thrown up in the wake of the revolution such as compen-sation for nationalisation and sation for nationalisation and the handing back of agricultural land occupied in southern Portugal Indeed some maintain that he owed his fall in September 1978 to being too effective. Since he cut the ground from underneath the politicians, it was inswitched that they it was inevitable that they should use their power in Parlia-ment to topple him somer or later. The Mota Pinto Govern-ment that followed was a brave attempt to keep the experiment going but depended also on the tolerance of the political parties for its survival.

The Mota Pinto Government fell ostensibly because of the refusal of the Socialists, Social Democrats and Communists to support its economic policy. But the real reason was rather different.

The political parties realised that non-party government was an aberration from the democratic process It made no

ing to exercise better manage. Taking advantage of an apparment, tighten up on expenditure ent loophole in the constitution, and reduce inflation. He did much to put the excesses of the revolution on an even keel.

The complexion of the two non-party governments was movement, until now considered much more towards the Centre, and several would argue Right of Centre. Although this did not reflect the 1976 election result where the Socialists have been among white collar obtained the largest single workers and in the more conserchunk of the vote, 36 per cent, vative north. Nevertheless preoccupation for preserving jobs and living standards during

Acrobatics

This period has also permitted the main political groupings to reorganise and in some cases themselves. Socialist Party held a congress in March at which Dr. Soares accomplished a masterly piece positive thing to be said is that sense at all for an elected Parthe country has been able to liament to stand aside while a government was formed from non-elected personalities unment with remarkable affiliated to political parties. It resilience.

The last formula tried has been non-party government was damaging to their creditions was initiated in July 1978 tended to leave the faithful to much with the President. This was initiated in July 1978 tended to leave the faithful to much with the President. We to dismissed the minority Socialist Government of Dr. Mario Socialist Government was formed from non-elected personality and at the same time point the Socialists towards a more pragmatic middle ground, clearly distancing itself from the Communists.

Three years ago the Socialists could not decide on whether to base their strategy on building bridges with the Communists.

could be achieved in a short This separation of the Socialists itself encouraged them to people would also vote to waive space of time. Sr. Nobre da from the Communists has been Costa grappled seriously for the reinforced by the emergence of first time with the country's a Socialist-supported trades economic problems by attempt- union movement, the UCT.

this organisation was able to form and in a short space of time has made remarkable inroads into the trades union the vanguard of the monolithic Communist - controlled Inter sindical.

Admittedly the main inroads

it was probably a more accurate several other non-Communist reflection of the current mood political parties have pledged of the country. There has been, their explicit or tacit support to by a fairly general consensus. UGT to counter-balance the an electoral shift away from the Left and towards the Right— Intersindical. The Communist probably an inevitable reaction Party's control of Intersindical given a certain resurgence of has been one of the pillars of its Portuguese conservatism and a post-revolution strength. The preoccupation for preserving implantation of UGT therefore is an important change which must effect both pure Portuguese politics and a whole range of socio-economic issues.

> It is no accident that Lisbon graffiti, usually an accurate indication of Leftist sentiment, are almost entirely preoccupied with virulent attacks on this new trades union challenge. Undoubtedly, too, the Communist party has suffered from non-party government. The measures imposed have been difficult to challenge because they have been so neces-Hence the Communists have been powerless to prevent

rising unemployment (it now

occupy during the revolution. The other political shake-up has occurred within the Social Democrat Party (PSD). The PSD leader, Sr. Francisco da Carneiro, has always played his cards close to his chest. But he has begun to make moves which some interpret as an attempt to manoeuvre the party so as to occupy the Centre-Right, sensing this is where the allegiance of the majority of the electorate lies. He has now deliberately shed himself of 37 out of 73 PSD MPs, provoking the departure of the so-called Lisbon group of intellectuals

by this new posture. The immediate problem is that the political parties do not want non-party governmentyet equally neither the Socialists nor any of their potential allies capable of forming part of a Government wish to rule for only a year. According to the constitution elections must be held in 1980. But for this the option of dissolving Parliament and calling early elections would appear attrac-

The previous elections were held when the country had not adjusted to the aftermath of the revolution. It was unclear what role the military would play and how much the Left would impose its will. Elections now would almost certainly have a cathartic effect and show clearly the shift in political allegiance. They would also free the Socialists from any residual obligations they might feel towards the Communists.

stands at over 13 per cent of the active population) and hard To get round the constitution it has been suggested that Presipressed also to defend the land being removed from peasants in dent Eanes call a referendum the Alentejo which the Party alongside the elections in which

the constitutional requirement of holding elections in the fol-lowing year. But there is little real support for dickering with a referendum. While there are many aspects of the voluminous

tion - like the powers of the President — this is probably not the moment to tackle the issue. So what happens? The Socialists could form a government, so avoiding two elections within a year. But the Socialist Party is giving fairly heavy hints that it is unwilling to pick up the unfinished pieces of the Mota Pinto administration, Tough and unpopular decisions have to be taken, including

constitution that have become

dated or which need redefini-

approving sharp price increases, Dr. Soares is also too canny a politician not to realise that he could be ridiculed for carrying out policies which he had opposed a few months previously — an opposition which brought down the Government, his enemies would hasten to

Personalities

The only condition on which the Socialists would commit themselves to a government is if President Eanes gave them end the seemingly tireless his unconditional support. Here parochial politicking of the if President Eanes gave them there is a problem of personalities. Ever since his summary dismissal as Prime Minister last ing Portugal and operate on a year, Dr. Soares has nursed a minimum consensus. Otherwise deep hurt. Those who know him the problems just multiply. say relations have been im- The civil service is not strong President Eanes, for his part, ing properly for long periods appears reluctant to commit without government. Yet this himself fully to Dr. Soares is precisely what it is being again. This would be a return asked to do.

to the status quo, with the complicating irritant of Dr. Soares' dismissal.

Without mutual confidence the whole issue of the relationship between the powers of the President and the Premier would almost certainly resurface. This is perhaps why President Eanes still insists on throwing the ball to the politicians, saying in his blunt mili-tary way: "You intentionally ended non-party rule, therefore you must sort things out among yourselves."

President Eanes while in ffice has displayed considerable skill in dealing with the military, gradually emasculating the Left and pushing the armed forces into the background. The Revolutionary Council-in constitutional terms the ultimate arbiter of national policy—plays an increasingly formal role by all accounts.

However, he still seems on unsteady ground when facing the politicians—as is only natural considering his military background and long service in man and the quality of his advice is not known. The suspicion is that he prefers to listen and mediate rather than knock heads together.

Yet this is what is needed to politicians. Someone has to take responsibility for governproved, but frictions remain. enough to keep, things function-

BASIC STATISTICS 35,383 square miles Area Population TRADE (1978): Es 206.9bn Imports Exports Es 107.2bn Imports from UK

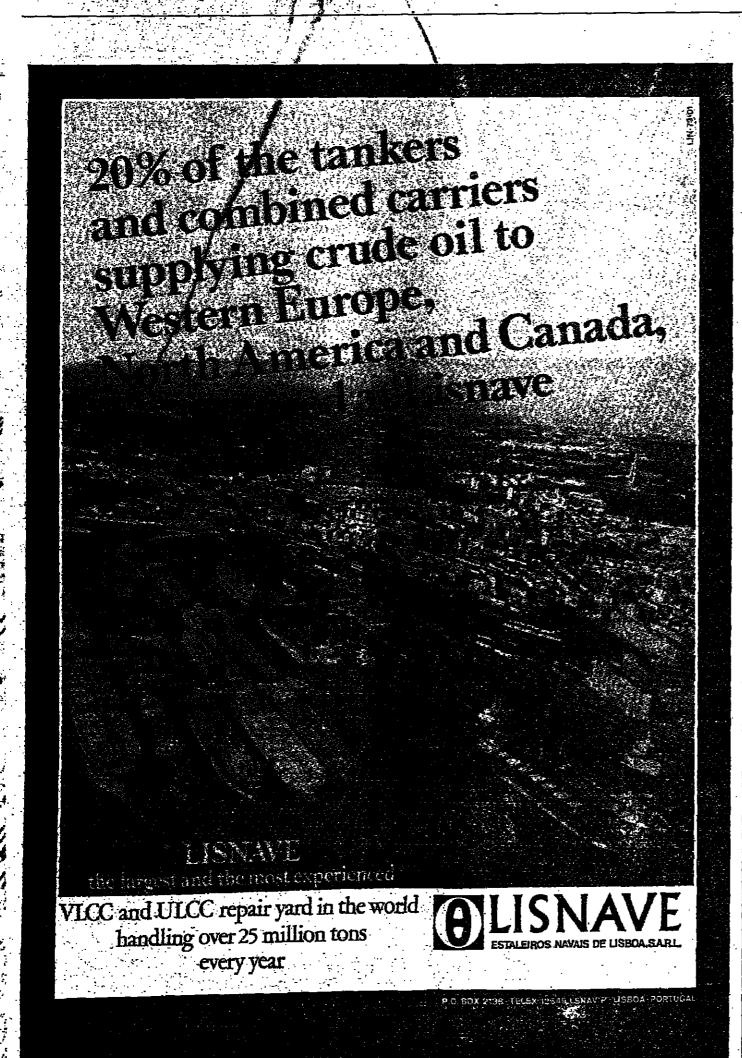
Currency: Escudo. £1 equals Es 107.80

Exports to UK

The most honourable formula being touted is for an interim government composed of Socialists and Independents with a non-Socialist Premier. Some have a certain nostalgia for Sr. Nobre da Costa, though he is playing hard to get. Certainly it needs someone

who understands the precarious situation of the Portuguese Uncomfortable economy. decisions have been postponed and a new government must slap something like 50 per cent on petrol, 30 per cent on elec-tricity and 25 per cent on transport costs. These increases must occur at a time when inflation has already crept beyond 20 per cent, meaning that for the third consecutive year wages have fallen in real

No one underestimates the delicacy of the task facing any government, least of all Portugal's friends in the European Community and the U.S. But the lesson should have been learned from the strained negotiations with the IMF last year that its allies are prepared to help Portugal providing it helps itself. It is not clear that it has.





PORT

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crises, the results, in Portugal's to the political manoeuvrings. necessary to raise petrol prices case, are not as bad as might Portugal of all the European by as much as 50 per cent, be expected. The country's countries is one of the hardest precarious external position has hit by this increase. The precarious external position has hit by this increase. The been strengthened considerably Portuguese authorities calcuin the past 18 months. The lated that prior to the OPEC authorities have avoided selling meeting the oil import bill off any more gold since the sales made in January, 1978.

The International Monetary Fund (IMF) has meanwhile been kept from the doorthough clearly it is not always too happy about what is going on inside. Public spending in particular has been above IMF ment's successful resistance to an important round of price increases in February inflation is running well anticipated levels. above

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have to be added to this bill, which, to give a sense of perspective, needs to be seen in two ways-as a percentage of the trade deficit and for its impact on energy costs.

Since 1973 imports of oil and recommendations, budgetary refined products as a proportion control overall has been of the trade deficit have risen slacker and despite the Govern- from only 9.5 per cent to 30 per cent. Last year the trade deficit was \$2.3bn; this year it could be around \$2.5bn. In terms of impact on energy prices, the increased cost of

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while electricity prices might have to go up by 25 per cent and transport by 30 per cent. The effect of the OPEC

decision could have been absorbed more easily if the Government had decided to raise a number of prices when the IMF so suggested back in February. For instance, there was a proposal that electricity charges should go up by 18 per cent. There was a reluct-ance, however, to press ahead with such increases before Parliament had accepted a broad economic plan for the year along with the budget.

Unfortunately this plan was rejected by Parliament on March 23 and the Budget also was altered. This created a somewhat peculiar situation. The guidelines of the Mota Pinto Government policy did not wholly disappear. They became a bit more blurred in the new version of the Budget, only formally published this

The aim of the original plan guidelines was 3 per cent growth, inflation held down to 18 per cent and the current account deficit kept below the Sibn mark. It was not this aspect which aroused opposition within Parliament. The main target of opposition was a device to impose a special tax on the 13th month end-of-year bonus payments. This was thrown out on its ear. The Budget was also attacked on certain local authority pro-

The real effect of all this was to create a sense of drift in the economy. Inflation began to pick up so that even before the OPEC decision the con-sumer price index was running at around 21-22 per cent.

Since public sector spending is the main engine of the Portuguese economy it is perhaps important to look in more detail at the budget and how it is halanced. Total public spending this year has been projected at 85.7bn (Es275bn). This includes transfers to local authorities, up 29 per cent, and social security payments. Although this represents an overall in-crease of 7 per cent on the previous year's total spending, there is a sharp rise in the budget deficit. This has caused

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CONSIDERING THE limitations of managing an economy in a succession of government crises, the results, in Portugal's to the political going astray. The initially pro-jected deficit for 1978 was 40 measured per cent lower than the actual already in doubt deficit. Officials attribute this to a delay in adoption of sales tax haps that the Government is

measures, transfers not made by the social security system and a failure by public enterprises to transfer profits. There is also a suspicion that there was widespread evasion, This year the national budget

deficit has only increased in real terms by around 3 per cent, perhaps less. But it is question-able whether the projections in the table are realistic. As it is, receipts represent only 66 per cent of total expenditure. On existing calculations the deficit will be made up 7 per cent by Treasury bills, 18.5 per cent by foreign borrowing and 74.5 per cent through resort to the domestic banking system. But it is stressed that the actual extent of domestic borrowing will be conditioned by the ability of the municipalities to absorb their anticipated funds. Here it is expected there will be considerable underspending.

Laxes

But even if this is the case the deficit will be also conditioned by the Government's ability to collect the amount planned in higher sales taxes and stamp duty. Last year, for instance, sales tax receipts were 18 per cent below projections and this year they are projected to increase 40 per cent. The essential point about this uncertainty is that it will probably not be until late in the year before a proper picture of budgetary discipline emerges.

The local authorities may underspend but traditionally since the revolution of 1974 the appetite of public enterprises has cut their overall subsidy by almost a third. At the same time the Government has switched these funds, earmark-ing them for capital restructuring of the enterprises in an effort to check current spend- tances, exports are continuing ing. However, since the finan- to expand and despite the

effectiveness is

It is also worth stressing permoving into a period where it is having to make much in- not free but pledged as a creased debt servicing payments since loans contracted during the revolution are now matur-(Even though the interest rate has been cut from 13 per cent to 5 per cent the increase as seen in the table is sharp.)
With Portugal's current rate

of inflation this budget cannot be considered at all expansion-ary, even though it contains a heavy element of deficit financing. Because internationally there is now a general tendency to accept that inflation levels will be higher than anticipated, the Portuguese authorities have found it easier to accept that their rate will climb back to that of two years ago. The position of the escudo creates, however, an added element of vulnerability to inflation.

Between April 1978 and

March this year it was agreed with the EMF that the escudo should fall 1.25 per cent a month on a crawling peg de-valuation—apart from an initial 6.1 per cent devaluation. This has now been cut to 1 per cent per month to reduce its infla-tionary impact and will be cut further. But this policy may have to be completely revised in the light of the OPEC price

Last year imports rose in dollar terms by under 7 per cent, reflecting both a drawing down of stocks and reduced purchases of some consumer items. In contrast, exports did well, increasing 18 per cent and justifying at one level the constantly weakening escudo. One particularly encouraging feature was the \$1.6bn in remittances from expatriate Portuguese and the boost in tourist earnings.

This year so far there has been a 60 per cent increase in the first quarter in remit-

Industrial gloom

hat for over a year has been almost exclusively governed by monetarist considerations.

crescando.
Seix-According to Bank of Portugal figures, growth in 1978 was blasting machines around 3.4 per cent compared to 6 per cent in 1977; fixed capital formation grew by only 4 per cent compared to 12 per cent. Unemployment figures are not entirely reliable since Government departments differ in their methods of calculation and consequently in their estimates, but the general picture shows the extent to which the recession has set in.

The Ministry of Labour esti-mates that between December 1977 and December 1978 the number of job seekers increased by 9.4 per cent from 455,000 to 498,000. The increase was particularly pronounced in the second half of last year, a period during which industrial production declined further and virtually stagnated. The annual rate of unemployment is now put at around 13.4 per cent against 12.6 per cent.
Nor is the outlook any bet-

ter. An unpublished study from the Ministry of Finance re-cently described the situation as "chronic" and estimated that there would be a 20 per cent increase in the unemployment rate by 1983 if the Government stuck to the official output growth target of around 3.5 per cent.
The problem of unemploy-

ment is indicative not just of the stabilisation programme pursued since the second half of 1977 but also of the inherent

structural weaknesses of Portuguese industry.

Dominating industry are "traditional" sectors such as textiles as well as heavy in-dustries such as shiprepairing and shipbuilding, petrochemi-cals and steel, all of which are facing a world wide recession. Lisnave, the Portuguese ship repairer which accounts for some 5 per cent of the country's total export earnings has re-ported double losses last year in comparison with 1977—a total of Es. 564m against

credit squeeze and a continuing a too advanced stage of conhigh inflation rate, Lisnave's competitiveness on the international market has been adversely affected by the fall within the complex should be averaged. in the value of the dollar. This pursued. At Sines the deepvirtually neutralised the stimulative effects of last year's oil refinery owned by the devaluation of the escudo. The nationalised company Petrogal number of tankers repaired at Lisnave's Mageira docks near Lisbon fell from 192 in 1977 to

PORTUGUESE industry is living through gloomy times as the victim of an economic strategy

Both Lisnave and Setenave appear, however, to be making the best of a far from happy activities. Lisnave invested \$5m last year in new dock equipincluding platforms to make the Mageira yard more efficient.

Future projects include a new cleaning deck on the mainwhich would take ever from Lisbon's three floating docks. Meanwhile viability contracts have been signed for the design and general construction of a fishing fleet repair dock at Cape Verde, one of Portugal's former African colonies.

Generally Lisnave is hoping that its performance this year will improve as a result of a rationalisation programme aimed at reducing costs and increasing turnover. The plan has so far included a slimming of the 10.000-strong labour force through an early retire ment scheme.

Setenave's future is less assured, Although it has reached agreement in principle on the sale of 20 fishing vessels to Bulgaria, its international outlets in the short term are expected to be limited. The emphasis is on domestic demand, which would increase once the green light is given to a plan involving the building up of Portugal's aged merchant navy and fishing fleet.

Scheme

Generally, though, Portugal's shipbuilders are hoping that the EEC will within the next few months agree to a comprehensive credit scheme which would allow the industry to weather the storm at least until weather the storm at least until the expected upturn in the

More complicated is the future of petrochemicals. It can only really be discussed in the context of Portugal's multimillion dollar industrial complex of Sines, which still manages to generate more controversy than any other single project.

While there is now a general In addition to the domestic acceptance that Sines is now in water port is complete and the went on stream in January.

To an extent CNP's ambitions appear to contradict two basic guidelines of Portuguese Gov-The year has not been any better at Setenave Portugal's nationalised shipbuilding company which has in the past two years increased its share of ship-repairing because of lack of international orders from abroad.

guidelines of Portuguese Government economic policy—that priority areas in industry should be both labour-intensive and export-orientated. Not only are CNP's operation; capital-intensive; their chances of finding outlets for their products seem limited. The outlook for the

CONTINUED ON NEXT PAGE

GENERAL BUDGET

Life of the control of the second partial and the second

		- 1 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2		1978	**************************************	1979—
	气量多 🤏 电双流衰退		Projected	Altered	Actual	Projected
		Receipts	159.09	153.09	132.35	182.43
_	increased cost of energy imports	Expenditure	215.02	219.66	311.07	275.45
1	the current account deficit could	Basic deficit	-55.933	66.57	-78.71	— 93.02
5	be cut to around \$6.2bn. \$5.2bn are held by the Central Bank		- 4.54	- 4.5?	- 4.25	— 7.93
5		Total deficit		-71.14	-81.97	-100.95
	tounes of gold valued at market	불인 전 있는 것 같아.		·_: 2· - <u>-</u>	<u></u>	
•	prices. It should also be remembered that 30 per cent of		Source: Mir	listry of F	inance	
•	Amountain mur on her control.	1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.				<u> </u>

This percentage is being Some argue that even if there reduced as these loans are may not be a specific need, a repaid in line with HMP further standby arrangement exportations. In general the should be negotiated at year-terms laid down by the HMP end, if only to obtain the IMP's

over a year ago as a condition imprimatur of approval.

of financial assistance have been. The role of the IMF has been
met externally. The slippage much criticised within Portugal.

has come internally. This slip it has been attacked for interpage, facilitated in part by the fering unduly with domestic
availability of funds in the accommic policy and for being Euromarkets, has meant that imnecessarily tough in its con-the Portuguese have not needed ditions. Certainly the IMF to feel so dependent on the guidelines that involved tight institution. They are the guidelines and higher ininstitution. They are, for credit restrictions and higher in-instance, negotiating a \$300m terest rates have been instru-loan in the international mar mental in the economic slowkets which for the first eight down

remains sufficiently precapous ition was stagnant. Unemploy-for it to have to pay attention ment rose. Growth this year

the country's gold reserves are

as those with the BIS.

guarantee to cover such loans to the IMF as the ultimate will be slower, especially it arbiter of its creditworthiness. there is a poor agricultura cards. Most expect unemployment to rise above the present level of 13 per cent of the active population.

Yet to blame all this on the IMF, as has been done, is notentirely just. Its influence has also been positive; providing a sense of direction where the Portuguese politicians have falled. The trouble is that two many seem to have forgotten the IMF's original strictures. Thus it inflation continues the way it is going and the budget receipts are again lower than anticipated, Portugal could well years has a three-quarters. Last year demand as a whole face a more acrimonious conspread above Liber.

But Portugal's position tion fell and cement consumpnot too distant future.

Robert Graham

Japan International Bank Limited

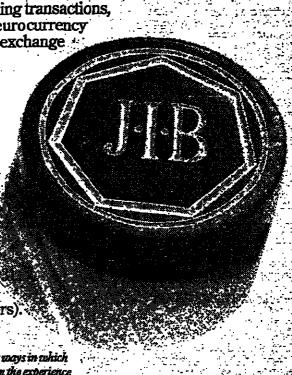
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A stranglehold on organised labour

FIVE YEARS ago, organised labour in Portugal played a crucial rule in toppling nearly half a ceptury of dictatorship. Since then the country's politicians, in their aftempt to put Portugal on a more moderate course, have admitted in private what they are still afraid to say in public the Portuguese Parliamentary system will never be able to function successfully unless organised labour is freed from the stranglehold of the Communist dominated trade union munist-dominated trade union movement. CGTP-Interestudical

In this respect, the emerging strength of the UGT, the country's first ever fully organised non-Communist trade union organisation, has been one of the most significant political developments of the

The liberalisation of organised labour in Portugal has been a matter of increasing concern for a wide political spectrum, ever since Intersindical appropriated both the structures and the influence of the old "sindicatos." These had been one of the main props of the Salazarist corporate state, and had been gradually infiltrated and rivalled by Communist labour leaders.

As the regime crumbled, the semi-clandestine intersindical was at the forefront of indus-

Following the left-wing mili-tary coup on April 25, 1974. Intersindical joined hands with the soldiers and demanded compensation for its effort. The Law of Unity or Unicidade, passed by the then-supreme Revolutionary Council, estab-lished the principle of a single trade union system, with Intersindical as the country's main

Significantly, though, the law did not define Intersindical as the only trade union organisation to which each individual union should affiliate. An important article specified that no closed shop could be imposed; and the decision of whether or not to affiliate was left up to

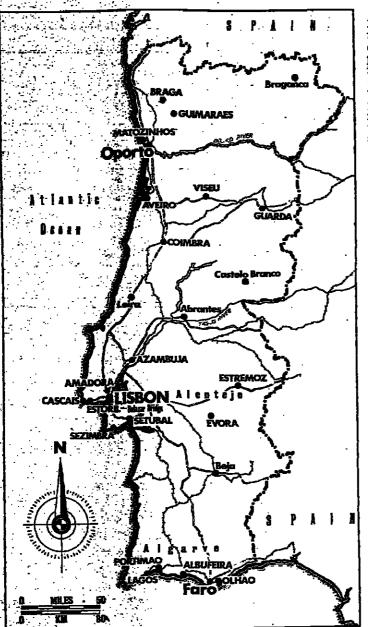
The formation of the UGT last October was largely the result of these loopholes in the Law of Unicidade. Its "legal" status has been further en-hanced by the approval, last month, of wide sweeping changes to Portugal's trade

Proposals

In a bill proposed by the former Socialist Minister of Labour, Sr. Maldonado Gonelha, the right of free association iscategorically established. The If one is to believe UGT bill also lays down a series of leaders the rise of the new new rules for union elections trade-union over the past few which will further corrode the Communist monopoly of the labour movement.
Until now, decision-making at

union level has taken place in general assemblies of workers and voted on a show of hands. The new law places supreme, power with union congresses

of elected delegates, held every three years. Between con-gresses, the day-to-day running of the union will be the respon-



than majority, representation. Finally, all voting within unions from now powerds will be by secret ballou

Theoretically, the Gonelha Law sets out to establish a principle of democratic trade unionism. In practice, the law will enable the U.T. to share workers committees and parti-cipate more fully in factory and government level negotia-

The UGT was originally formed as a predominantly socialist trade union around a restricted caucus of about 20 individual unions. In the past few months, the UGT had managed to cut across party lines and has been brought under a broad democratic banner involving Socialists.

Social Democrats, Christian Democrats and Indonesia Democrats and Independents.

months has been little short of meteoric. They claim that UGT now encompasses nearly a refilion workers and some 60 individual unions. There are 350,000 paid-up union members, while the rest are "sym-pathisers." Intersindical is no less ambitious, although the country's workforce is put at 3.4m workers, the trade union claims that its 1.6m member-

ship represents 85 per cent of

entirely The UGT does not hide the fact that its main strength, as proved by union elections this year, is among white-collar workers, and that industrial workers are still largely controlled by Intersindical. It nevertheless claims to be cut-ting a lot of ice among hitherto non-unionised workers who have in the past kept away from organised labour because of its identification with the Communist Party.

Moreover, Intersindical now openly books upon the UGT as a threat to their hitherto uncontested control of the Portuguese labour force and last month organised mass dismiss labour. demonstrations throughout the Finally, the country against the Gonelha

Ironically, the anti-UGT demonstrations have been among the most virulent in a year, characterised by relative doubting working class. Into peace on the industrial front. Throughout 1978, with a few exceptions, labour stuck to the acceptions, labour stuck to the acceptions. Government's wage ceiling of 20

of the strikes that did take place, the majority took the largely symbolic form with little if any disruptive effect. The year's two most serious

strikes, that of the merchant seamen last summer, and of the telephone workers this winter, had more to do with overtime pay and conditions than with the Government's wage limit.

Labour statistics during 1978 there were a total of 323 strikes compared to 320 strikes the previous year. The minimal increase in industrial unrest during the first year of the tough IMF-inspired austerity programme would seem to confirm an often-voiced theory: that in times of economic recession the mobility and political muscle of the unions is at its lowest ebb. Not only are union funds insufficient to sustain lengthy strike actions, but also the will of the individual worker is conditioned by his immediate

Despite the relatively high degree of political consciousness that exists within the Portuguese labour movement, many workers appear prepared to accept lower wages rather than risk forcing employers (particularly in small and medium-sized firms) out of work.

Portuguese unemployment is already estimated at around 13 per cent, the chances of finding new jobs in most areas are vir-tually nil, and the level of unemployment benefits are extremely low compared to most European countries.

Looking ahead, there is no guarantee that this self enforced passivity on the labour front will necessarily continue. A number of cators would suggest otherwise.

Firstly, Portuguese industrial relations continue to be characterised by a chaotic collective bargaining structure.

There is no dialogue between Intersindical and UGT on the one side and the employers federations on the other. Instead, bargaining takes place at sectoral level between local employers and local union

In many sectors, there are as many as 20 different bargaining units so that the problem of wage bargaining is immensely complicated. Wage negotiations extend for weeks and usually end with Government conciliation, a solution which is un popular with both sides of

Such a situation is further aggravated in a country such as Portugal which has a builtin tendency towards unstable governments and constantly changing administrations.

The present level of employment is largely maintained by the fact of Portugal's labour legislation making it virtually impossible for an employer to

Finally, the emergence of UGT, as has happened in Spain, could lead to bitter rivalries with both sides resorting to strike action as a way of asserting their identity among a doubting working class. This

Moreover, although UGT has maintained its non-party image there is a likelihood that the political parties will in the future try to use it in order to

extend their influence. On all accounts, the year ahead promises to be a testing time for both management and

Jimmy Burns

or me union will be the respon-sibility of a special committee, organised labour. This will be elected on the The rival claims are almost basis of proportional, rather certainly exaggerated, though

GIOOM CONTINUED FROM PREVIOUS PAGE

chemical industries.

Moreover, CNP's aggressive salesmanship has always been portuguese. Minister that Portugal is among the few European countries still to have a growth potential in the consumption of plastics. Per capita consumption of plastics in the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced to about the country is about 12 kg ment reduced following means the considered following means always been portuguese. Minister Industry and the V. Etienne Davignon, the countries of per inhabitant, well below most European averages; In West Germany and Sweden, for example, averagé per capita consumption is between 50 and 80 kg. CNP believes that its Sines project will be able to cover the domestic market and thus contribute to correcting the huge trade deficit which the industry has been suffering until now. The most optimistic forecast estimates that by 1990 the Portuguese petrochemical industry could have a positive balance of Es 100bn.

CNP's difficulty in convincing Portugal's ever-changing governments of the economic viability of its ambitions project has been shared by the national. Siderurgia company,

Since its first draft was pre- Essential national steel plan has suffered a number of amendments in the Renault plan essentially line with the state of the world forms part of the restructuring that the productions of nat. on a curopean scale and have guese industry not as an isolated rolled products in Europe is only survived because of conguese industry not as an isolated phenomenon but as an integrated above a realistic tinning Government protection, phenomenon but as an integrated part of a European operacity.

officially given the go-ahead, though with an initial investment reduced to about \$400m. The project will concentrate on producing long-rolled products which at present account for some 55 per cent of total steel consumption in Portugal. The emphasis will be on boosting old plant with new machinery and on increased exploitation of Portugal's mineral resources.

the few bright spots in this generally dark year for Portu-guese industry. But perhaps the most optimistic note was struck by the signing in May of the long-delayed agreement with Renault on a \$400m expansion programme for Portugal's weak and underdeveloped motor industry.

indistry. The first project to of Portuguese industry which is he shelved was a projected so essential within the context Es 60bn investment in a new of the country's future EEC. integrated steel plant to pro membership. The industry until duce flat-rolled products at now has consisted of 20 small duce nat-rolled products at now has consisted of 20 small foreign investment in Portugal Sines. Even the more optimis—assembly plants, the majority of since before the revolution and tic Portuguese officials accepted which are totally uncompetitive is an example of an important that the productions of flat- on a European scale and have multinational treating Portugued products in European is only supplied products in European is only supplied because of con-

industry internationally is that it will be depressed until at least remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC this protection remaining bulk of the plan gal and the EEC. To what extent this due to be lifted by the end in the next few years remains to be seen.

Both General Motors and Ford have hinted that they between Sr. Alvaro Barreto, the legislation for the motor between Sr. Alvaro Barreto, the legislation for the motor industry which would extend might be prepared to follow a similar path in Portugal. Etienne Davignon, the EEC knocked down (CKD) units and completely built up (CBU) units The steel plan has now been and allow for a gradual phasing-

This transitional period will see, the Portuguese motor industry being restructured along the following lines—the phasing-out of about a dozen improfitable assembly plants along with their subsidiary components factories which have been maintained by Govern-ment protection. Officials stress that in order to preserve jobs The green light given to the many of these plants will be connational steel plan was one of verted into more lucrative the few bright spots in this enterprises. The aim is to develop new assembly and components plants which are judged to be technologically advanced and firmly integrated into the European productive structure, and to increase employment in

> Renault has agreed to step up car assembly, increasing its present capacity of 10,000 units per year to 80,000 by 1987. About 30 per cent of this will go to exports. Engine production will be stepped up to include the manufacture of 222,000 units by 1984, with 65 per cent of output destined for

the industry as a whole.

export. The project is the largest foreign investment in Portugal

new export programme at its Azambuya plant near Lisbon, but backed out of a proposed new \$1bn European assembly plant originally considered for

Looking ahead, investment, whether foreign or Portuguese, will continue to be largely conditioned by legislation and the general political scenario. general' Private business is still far from happy with a labour legislation which it considers to be highly restrictive. The issue of compensation for farms and shareholdings illegally seized or nationalised following the revolution is yet to be resolved. Finally, the continuing existence of a semi-Marxist constitution means that the law defining the field of activities for the private and public sectors is still ambiguous.

The situation of Portuguese industry is not helped by the continuing political instability and changes of government. What is perhaps the main priority, the implementation of a medium-term economic plan that would set out guidelines for such crucial areas as the energy sector, has been delayed. The feeling persists that there has been too much politicking and not enough real planning as to the direction in Portuguese

should be moving. Jimmy Burns



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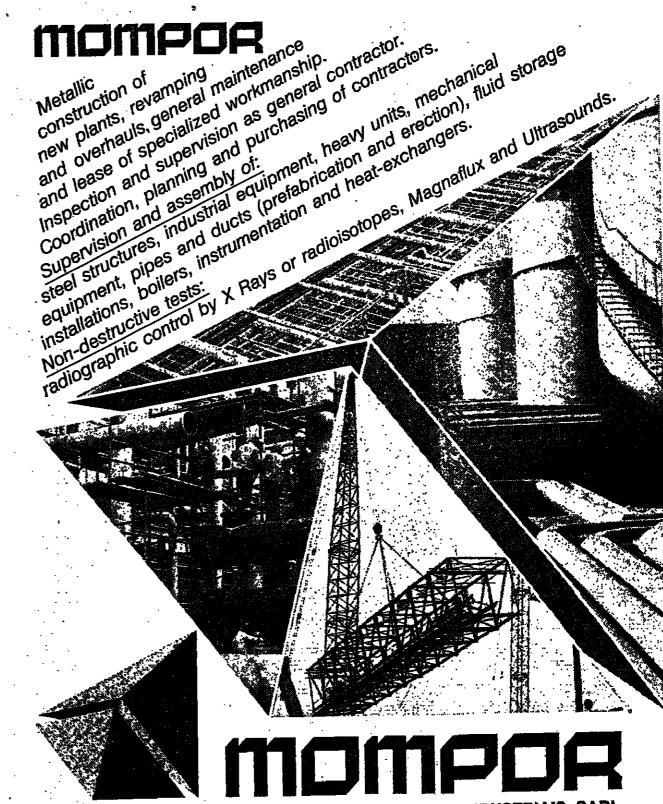
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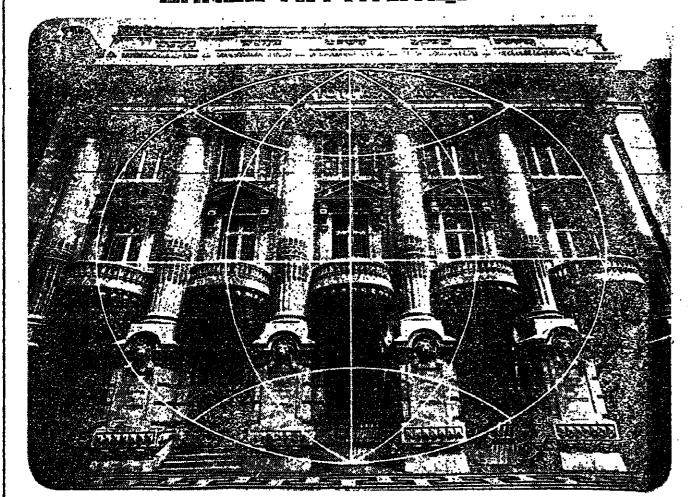
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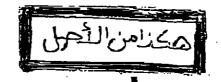
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Banks seek more freedom

PORTUGUESE BANKERS tend to look upon their country's seemingly endless government crises with remarkable calm. Despite the political ups-anddowns of the past five years, their more immediate world has moved swiftly from near-anarchy to relative normality.

Banking was one of the sectors most affected by the revolutionary excesses that followed on from the "Captains' Revolt" on April 25, 1974. Uusing the excuse of a suspected Right-wing counter. coup, the state almost overnight took effective control of over 95 per cent of all banking activities, making Portugal the European country where the state exerted the greatest power. The principle was sub-sequently enshrined in the 1976 Constitution, which reserved the sector for public enterprise. In Portugal, the role of the

bank is still an emotive issue, though increasingly less so. Prior to the revolution the private banks were involved in all aspects of the economy and, in many instances, were the chief shareholders in many

industrial holdings.

Five years after the revolution the Portuguese banking system remains nationalised, but most of the old managers are back in their boardrooms, banking secrecy is assured, and the newly-created General Union of Workers (UGT) has skilfully toppled the Com-munists in the Bankworkers

Even the controversy that blew up earlier this year over the appointment of new managers to the nationalised banks (because of the expiry of the three-year contracts of a number of executives) turned out, in the end, to be somewhat of a damp squib.

Though a great deal of last minute political haggling did precede the new appointments. these have been judged on account of their respectability to day operations. and efficiency rather than their political affiliations."

ment, the broad brushstrokes of longer-term basis to the private not allowed to accept short-term

economic policy during the past two years have shown an underlying continuity to which Portu-

Put another way, under the uspices of the IMF, secialist Utopias have been profoundly diluted by purely monetarist considerations. The Portuguese banker as the supervisor of a tight credit policy has taken on the dual role of civil servant and market-orientated business

· Moreover, as a result of the IMF, Portugal's external posi-tion has improved in leaps and bounds so that for all its political instability the country is still considered a good "risk". Significantly, despite the chaptic political atmosphere that prevailed both before and after the Government's budget defeat, Portugal still managed to tap the Euromarkets and began negotiations on a \$300m loan from a group of leading international banks.

Changes

But nothing perhaps better, illustrates the changing aspect of the Portguese banking system than the authorisation, earlier this year, of private investment companies. By the definition of a decree law passed at Cabinet level, these will be entitled to grant medium and long-term credit, either from their own resources or through the co-ordination of other sources of finance from credit institutions and from similar Portuguese and foreign establishments. One doesn't have to look too closely to realise that, in principle, at least there is now the basis on which private banks could return to Portugal.

The "Parabanking institu-tions" as the investment companies are defined, will be able to concentrate on the wholesale rather than the retail side of the banking system. This will including a reported clash of have a main advantage of cut-Finance ting down on costs by stream-Minister and the Prime Minister, the final list published last month contained few surprises. As one commentator put it:

"The Socialists still have their the African decolonisation, are Mello, Deutsche Morgan partners."

"The Socialists still have their the African decolonisation, are Mello, Deutsche Morgan partners." men in the banking system, but grossly overstaffed and not as these have been judged on efficient as they might be in day

In terms of operational areas. political affiliations." the new institutions will be able for all the changes of Governto concentrate in lending on a

"lame duck" small and to issue guarantees to a commedium sized companies to guese bankers have made a which the Government and the crucial contribution. state owned banks cannot afford

to give proper attention. While the investment companies will not act as industrial charities by lending indiscriminately, they will, however, be in better position to co-ordinate foreign finance in the sector and to promote revitalisation projects in the form of joint

ventures. It is not surprising, therefore, that the two groups which have shown the most interest in being authorised as investment companies involve Portuguese in-dustrialists who, in the past, have felt themselves ostracised by official credit policy.

The first is led by Sr. Jose Manuel de Mello, one of Portugal's leading entrepreneurs. Sr. de Mello last year established a financial services company in equal partnership with Deutsche Bank and Morgan Guaranty, ostensibly to advise potential investors but also in anticipa-tion of the new investment company regulations.

The second group has been co-ordinated, involving some as yet anonymous northern businessmen by a former vice-governor of the Bank of Portugal. Sr. Artur Santos Silva.

That the initiative for this project should come from Oporto, rather than Lisbon, is not entirely surprising. Entrepreneurs in northern Portugal have always looked rather scathingly on Lisbon as "a city of inefficient bureaucrats; hanging on to credit and doing none of the work."

But although the authorisation of private-investment law, authorising the appearance of private investment companies was widely heralded as a major: breakthrough in the liberalisation of the Portuguese banking system, the picture is not quite as clear-cut as it might have at first seemed.

ship is called) published a leading article in the weekly "Expresso," attacking what he defined as serious restrictions contained in the decree law.

The investment companies are

sector, particularly the many deposits. Nor are they permitted investment company has a par-ticipation of not less than 10 per cent in the firm involved. Finally, Saldanba criticised the gearing ratio between total com-

mitments and the investment company's own capital. This the law defines as 1:10. The criticism probably goes a long way towards explaining why MDM and other groups have adopted a wait and see attitude rather than choosing to go all-out and knock with then applications at the Ministry of

It remains to be seen whether a future government will respond to the critics and liberalise still further. The issue again is an emotive one and, significantly, the Com-munist Party has already presented a request that the law be subject to parliamentary

Most bank officials, however. are convinced that, sooner or later, the investment companies will be a fact of life in Portugal further transformed as a result.

For the moment, managers on the boards of the existing Porlieve themselves to be some what handicapped. According to present legislation, the Bank of Portugal is allowed to issue general guidelines on matters of credit policy, leaving the individual banks with relative freedom of action However, these general guidelines often translate themselves into outright intervention.

So, some Portuguese bankers believe, more freedom is needed if they are to become truly competitive in the face of investment companies.

Looking further shead, it banking system will eventually accommodate itself to what is fast becoming a more market orientated economy. The investment companies may be trans formed still further as a result of relaxation of present constitutional constraints, will evolve as a natural compliment to the nationalised banks.

As a result credit will be more evenly distributed among the various sectors of industry than has hitherto been the case.

Junny Burns

Agrarian reform still an explosive issue

DR. APOLINARIO VAZ POR-TUGAL, Portugal's Minister of Agriculture for just under one vear, is a disappointed man these days.

An ambitious national plan for the agrarian sector (involving widesweeping reforms, credit policies, and training schemes which he had promised would see the light of day at the annual Agricultural Fair of Santarem, last month) was shelved following the Government's Parliamentary defeat and consequent resignation.

Once again purely technical considerations in the most backward and chaotic sector of the Portuguese economy have been forced into second place by

politics. The pattern has differed little throughout the year. Five years after the revolution, agrarian reform remains potentially the most explosive political issue in

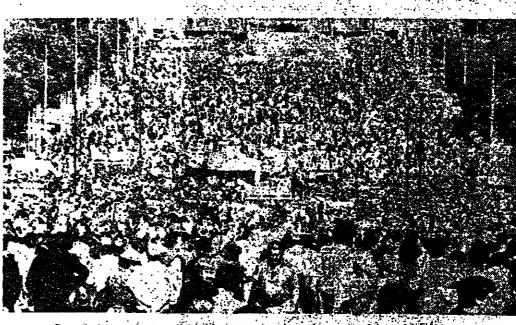
The decision last October by the then caretaker Government of Sr. Alfredo Nobre da Costa. to resume the handing back of collectivised land to private ownership, led to immediate confrontations between com-munist peasants and riot police.

The drama of the occasion was exploited to the full by Sr. Alvaso Cunhal, the Communist Party's secertary general who accused the Ministry of Agriculture of bringing Portugal to the brink of a civil war.
Difficulties in enforcing the

land handbacks, in the face of a well-orchestrated and not entirely unjustified media campaign against police brutality, led to the isolated resignation in March of the man most directly involved with agrarian reform: Sr. Augusto Ferreira do Amaral. the Secretary of State for Agrarian restruction.

The departure of Sr. Ferreira do Amaral led to the first serious confrontation between the right wing of the political spectrum and the Mota Pinto administration. It was, in retrospect, the beginning of the end for the Government.

On paper the Government's campaign to hand back an estimated 200.000 hectares of



Supporters of the Confederation of Portuguese Werkers (CCTP) at this year's May Day rally in Lisbon

by Sr. Alfredo Nobre da Costa tributed to a further political small and mostly medium sized farms and Sr. Carlos Mota Pinto (Sr. dimension to the issue and mostly privately owned beneath the passivity there is Critic in Coveriment action Vaz Portugal served as Minister of Agriculture under both). 80,320 hectares were given back -bringing the total land illegally seized (but now back in private ownership) to 169,981 hectares. Portuguese officials boast that this has been achieved with a great deal of rhetoric but gener. of agrarian reform is a great ally limited physical resistance deal more complex than any from the peasants. In their view expression of violence or the this is an indication that Communist influence and power in the southern agarian belt of the southern agarian belt of the approved by Parliament is the resolved the problems of the Alentejo, is more apparent than summer of 1977; is on face north where there is else a

Protests

The claim is true to some extent. Despite the initial clashes, subsequent interventions by the riot police have met only with the occasional barricade. And if there were voices raised it was more in the form of harmless street demonstrations in the local towns than running battles in the

Arguably though, the use of land, illegally seized at the riot police rather than dialogue height of the revolution in to apply a law which, by the 1975, appears to have been terms of the constitution remarkably successful. In the period October, 1978, by all sides, involved a bad to May 1979, under two successive non-party Governments led The tough tactics have con-

now an ingrained feeling of during the past year point out bitterness in the Alenteto that the application of the which is a pad legacy for a Agentian Referent law has been inture government which might one tracked breaking up col-

sector and present instead a contrast to the "Latifundia" coherent preject directed at the Aleittejo northern Portus

In a recent interpretation of decision) is characterised by what is generally accepted as innoteds of family owned plots one of the most complicated or ininitiandias, the majority laws in the Portuguese Statute of which are less than 50 acres. Book, the World Bank described Many of the plots are less the redistribution of land that than 10 acres, having been was expected to take place in an passed down and divided from approximate area of 35m acceptance of the land is kerisle and Zones of Alentejo and Ringtejo, potentially highly productive in Some 780 000 hectares would products, such as cereals and

Some 780,000 hectares would products, such as cereals and be set aside for private owner intry products. Ship, a further 1 to Lan her. However, hecture teres would be under collect termine is at brigarer fixesed of cooperative type must common result organisation, and the rest in ours practiced partials

now an ingrained his Alentejo than his energy in the Alentejo than his a bad legary for a Agentian Reference up colfuling government which in a Agentian Reference in the his a part to tackle agrarian reference lectives while inving a consumer to tackle agrarian reference lectives while inving a consumer to tackle agrarian reference between blind eye to the hecomore technical way.

The terms of the law, should be

Moreover, the concentration value the first attempt to by desperate need for restructurpass politics in the agrarian ing but of a different kind In chinical improvement in the (which accounts for over 80 per centr of total agricultural pro-in a recent interpretation of duction) is characterised by

CONTINUED ON NEXT PAGE

Building up links with the world

IN THE five years since de follow up its revolutionary touchiness is taken out of stateas an international entenst by little else left for Portugal to cause of overgeas colonialism do at the moment to settle the and domestic antiporturization, whole tragic question.

centuries of concentration on the far-flung heritage of Portuguese explorers to a close look at the nations clustered around its own doorstep. The process has been encouraged by the Common Market, ready to welcome Portugal into its member-

The change of direction has been traumatic both psychologically and in economic terms, but the wounds of over-hasty decolonisation are almost healed and the Porturniese are heartened by the dozens of countries which now accept

But all has not been plain sailing for Lisbon's vigorous foreign initiative. On balance, however, there have probably been more crests than troughs. Late last year Portugal gained a coveted seat on the UN Security Council and since then has been much courted by those African countries keen for sympathetic attitudes towards the liberation movements in Southern Africa.

sadors, a diplomatic break Portugal on his Government. through earlier complicated by Athough the presence of the strong pro-Soviet leanings Unita and FNLA activists in of early Portuguese post Lisbon embarrasses the Porturevolutionary governments. Por-guese government, which would tuguese interest in the link with. like them to quietly disappear, China has of course, much to it is unable to accede to Angolan do with the tiny mainland en-demands to ban them without clave of Macao, officially con-infringing the ample liberties sidered Chinese territory under guaranteed by the country's

Portuguese administration. 1976 constitution.

The enclave's status seems A mood of to destined to remain unchanged to be prevailing at the moment in the foreseeable future. But and, indeed, the President there was a time when strong recently sent a special envoy rumour, later denied, main to Luanda reportedly seeking tained that Ching wanted Macao President Agostinho Reto's help back, gambling dens and all to in mending Mozambique's frayed show Taiwan that incorporation with the mainland would not Ties between Lisbon and necessarily end the different Maputo have sunk to an all-time lifestyle of the former Formosa. low recently, with several fac-

In another part of the Far tors creating tensions. They East Portuguese diplomacy has been more controversial. This over Mozamhaque's nationalised banking system. Portugal's contritory of Fart 2000 and the property of the part of the ritory of East Timor. The Portinucd debt responsibilities for tuguese withdrew from Dili in the Cabors Bassa dam scheme, disarray at the height of their and the lack of consular protecdecolonisation process; tough guerrilla warfare between Indonesian invaders and Timorese liberation forces followed.

The Portuguese never formally granted independence to the colony but Jakarta claims that it has been incorporated into Indonesia at the bidding of a majority of Timorese. Portugal, stake. Apart from the trade and has long since handed the probe cultural benefits soringing from lem to the UN committee on keeping on a good footing with decolorisation and continues to defend East Timor's right to self-determination.

But its critics maintain that Lisbon has not done enough to

mocracy returned to Portugal, promises to hand over the tostate relationships the country has actively pur colonies to their natural leaders. mature, stable diplomatic ties sued its desire to establish Apart, bowever, from cutting are established. Portugal will diplomatic ties with the rest diplomatic ties with Jakarta as not find it easy to build its Euroof the world. After many years was done in 1975, there seems whole tragic question.

Portugal now finds itself wel. The two main themes of Arab world. Comed at international forums Portugal's foreign policy centre and respected in the United on relations with Europe. Nations.

11. has introded away from and developing links to the expectable flak from the common than the policy centre ago to estable with Israel flak from the common than the common and developing links to the ex-colonies. Within this frame-work Africa has been the target of some major foreign policy initiatives, both on the part of the President. Gen. Remailto Eanes, and Lisbon's Necessidades Palace, seat of the Foreign Ministry

These attempts have had mixed results. In the cases of Guinea Bissau, Cape Verde and Sao Tome, relations are excellent and co-operation-and trade agreements are moving ahead smoothly. But Angola—former jewel in Portugal's imperial crown—and Mozembique have proved more intractable.

In spite of a summit between President Neto and President Ennes last June in Bissau, leading to a general co-operation accord, relations continue to be Earlier this year Luanda baulked at signing a a major trade agreement with Lisbon, after condemning continued support by some Portuguese for Joanas Savimbi's UNITA guerrillas still waging a bush war in southern Angola Enclave

The agreement was finally signed but only, after the Angolan President himself had made clear his displeasure at continued Right-wing attacks in

A mood of tolerance seems

tion rights for Portuguese con-tract workers in Maputo.

The Necessidades is cautiously optimistic that things will im-profe, however, and new missions are being planned to try toresolve the outstanding prob-

On Portugal's part much is at Portuguese-speaking Africa, Lis-bon's would-be role as Europe's interpreter in the region is being

For it is clear that until the

pen-African bridge.

Lishon's decision two years ago to establish diplomatic ties with Israel drew some heavy flak from the Arabs, with whom Incrative trade was developing. But now oil has been poured on the troubled Luso-Arabian waters to such an extent that the Arabs have indicated that they would call on Portugal if the need for a Middle East mediator ever arose.

Portugal has also been making overtures to the non-aligned movement and following the recent state visit by President Fance to Yncoslavia, vill have observer status at the non-aligned summit in Cuba later this year.

Summit

It may seem contradictors at first sight for a NATO member country and prospective EFC candidate to be broadening contacts with non-aligned nations. But diplomats in Lisbon sav Portugal has an eye on the main chance of improving relations with Angola and Mozambique through contacts at the summit.

Notwithstanding its strenuous efforts in Africa and elsewhere pride of place on the foreign policy front since 1976 has been given to Europe and specifically continued U.S. access to the Rota to the Common Market. The EEC has accepted Portugal's Socialist-sponsored request

to join and hopes that not only

will the move strengthen Portugal's democracy but that it will also give Lishon the reference point it is seeking in the world. But while the Portuguese have shown interest in principle in will far failed to get down profoundly. seriously to the nitty gritty of negotiations.

been the approach that EEC officials in Lisbon are showing considerable concern that Portugal will fall behind neighbouring Spain in moves towards Portugal's other interest in accession Equally lackadaisical Africa lies with its historical has been the Government's accession. Equally Jackadaisical and cultural neighbours, the attempts to inform the general public about the Common Market and the effects membership will have on every aspect of Portuguese society. There is prove with the opening soon of a Common Market information

> There is no doubt, however, that the decision to join the Common Market has been one of the post-revolutionary high points of the country's foreign policy, a policy which also continues to underline Portugal's long-standing commitment to

Portugal's important geo graphic position has never been underestimated by its NATO. European and North American allies. And its most strategically vital contribution is without doubt the air base at Lajes on the Azores stchipelago in the Atlantic Ocean.

Last month the U.S.'s lease on the base was extended to 1983 re-securing NATO surveillance of Soviet submarine activity over a vast stretch of the

North Atlantic. Lajes is also important as stacing post in U.S. supply runs to European bases and to Middle East trouble spots. Its stand-ing has been further enhanced by Soviet recent truculence over

air base. As political instability institutionalises itself in Portugal, the importance or NATO and EEC membership increases proportionately, for they provide a kind. of insurance nolicy to Portugal's young democracy. NATO keeps the historically volatile military force occupied while the EEC undoubtedly stimulate the the Common Market, they have economic and political structures

Kenneth Pottinger

CONTINUED FROM PREVIOUS PAGE

household.

of some of the excessively small plots either into privately owned small farms or co-operatives.
That this action has not been

as forthcoming as in the south may again have a political reason behind it. The area is the most conservative in the country, untouched by the 1974 revolution, the existence of its inhabitants is firmly rooted in tradition and property. There is also a more immediate fear of the consequences of leaving the smallholding at a time when alternative employment is not aparently available.

Moreover, the small farmers have a powerful organisational

a residual occupation by old front in the Confederation of people, or a female member of Portuguese Farmers which, in an emigrant-owner, or tenant's the past, has managed to use its political mu le to full effect. In Government officials have 1975, for example, it allied with recognised that a major priority the Church to prevent the Comfor the north is the enlargement minists from extending their influence north of Lisbon.

But for all the political constraints that persist, the past year has seen a number of developments in the sector aimed at removing Portuguese agriculture from partisan involvement and placing it on a more efficient level.

Perhaps the most important has been the creation by the Government of the Financial Institute for Aid and Development to Agriculture and Fisheries (IFADAP), to co-ordinate and plan domestic and international credit

As has been underlined in a recent World Bank survey, the small amount of institutional credit supplied to Portuguese agriculture, relative to all other sectors, is one reason for the decline in the rate of gross fixed capital formation in the

Gross fixed investment approximately 9-10 per cent of agricultural GDP hardly covers depreciation of non-land assets and creates no new capacity for

The Bank assumes that credit should climb to about 50 per cent of agricultural GDP in order to reflect the higher proportion (12 per cent) of fixed investment to GDP and complementary working needs. Agricultural credit should be expanded to around about Es 30m. or twice the amount available at the end of 1975.

The appearance of IFADAP will not only increase the amount of credit available it will also rationalise its distribution. Until now, lending to the sector has been carried out by a cumbersome collection of commercial, saving and co-operative banks. These have had a tendency to work independently from each other and according to different criteria. Their operations in the agrarian sector will now come under the suspices of IFADAP. Any collective or private

farmer will only be officially granted a loan once the project in question has been carefully IFADAP operations have so

far been limited and their future is largely conditioned by the political scenario, as well as by the speed with which future ministries of agriculture can push shead with the restructure of the agrarian sector. IFADAP is believed to be nego-

tiating loans with an impressive list of international banks and credit institutions, including the European Investment Bank and the World Banks The money is clearly there for the asking, though Portugal's creditors will be reluctant to release it until a great deal more thinking goes on as to where to put it.

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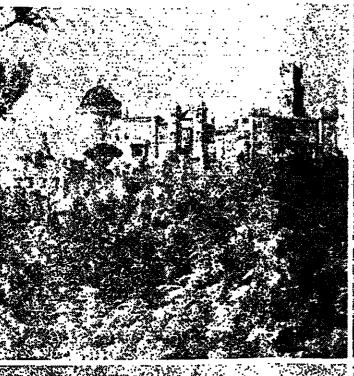


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1978 Financial Highlights

Consolidated

(in 10s Escudos)

	1978	1977
TOTAL REVENUE	13,500	7,914
TOTAL EXPENSE	13,258	7,823
CASH-FLOW	1,973	1,692
NET PROFIT	210	90
CASH AND DUE FROM BANKS	5,695	6,923
DEPOSITS ABROAD	3,238	1,915
BILLS DISCOUNTED AND LOANS	80,167	52,683
DEPOSITS	80,407	53,711
ASSETS	123,912	70,152
CAPITAL FUNDS	2,373	2,348
SALARIES AND BENEFITS PAID TO THE EMPLOYEES	1,690	1,392

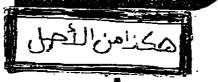
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Record year for tourist industry

country experiences an un-year. precedented boom in its major

difficult to squeeze in another

The lean post-revolutionary years, when political upheavals kept visitors well away, are now over and tourism in the past two years has shown increases of 29 per cent (1978) and 23 per cent (last trimester, 1979), compared with the previous

In 1978, the sector was the second biggest foreign currency earner, pulling Es7,500m into State coffers. But unless some major steps are taken soon, the country is going to find it hard to keep up with increasing de-mand for its sunny climate and kilometers of golden beaches.

Indicators show that Portugal underinvested in this vital industry and there are moves to attract foreign capital into what is claimed a virtually "success guaranteed" venture. Hotels on the Algarve, for example, report year-round 75 per cent occupancy rates.

The short-term austerity situation and IMF-imposed credit restrictions are hampering any heavy State spending on tourist developments for the present, so the emphasis is on drawing external investors. According to the Institute of

during Foreign Investment, during 1978 eight countries poured nearly £2m into new developments in the sector. Heading the list was Holland, followed by West Germany and Norway, made a showing.

money has in the growth ings in various tourist spots. Algarve the four and five star potential of this under-thus bringing another 10,000 hotels, built during the 1960s capitalised industry is shown by beds on to the market and for a largely privileged class,

But the picture also has its industry.

Indeed, this summer darker side. Industry sources preneurs responsible.

Warn that tourism's important. Such plans, however, are only economic role will only be likely to keep the country secure if the problems of a abreast of growing demand and the camping sites would find it faulty infrastructure are over do little to cope with expected come. Some tourist agents for instance, are concerned that the multi-million Escudo business; has reached saturation point. One agency director, possibly guilty of over-statement, warned that the major tourist area, the Algarve, would "die" within five years unless the region was given a major capital injection given a major capaca, air links, communications, sewerage, communications, hotels, water and food supplies.

He says some of the popular golden beaches are now so pol-luted that they are serious health hazards and that a proper regional sewerage system is a

priority. No official studies on pollution and related problems are published, but health sources say Portugal has no worse record in this respect than neighbouring Spain, or indeed other popular Mediterranean holiday areas.

Government schemes for would-be investors are generous. Financing comes through loans available for up to half total investment at interest rates of between 15 and 17 per cent, repayable over 15 years. Plans are under discussion to raise these limits.

But there are inevitable delays in building any new development and meanwhile the flow of visitors grows. To try the tourist carrying has and meet it, Commerce and rency Portugal, overall Tourism Minister, Sr. Abel an overall good bargain. while France and the U.S. also Repolho declared recently that

when the 1974 coup occurred frightening off the entre-prendurs responsible.

do little to cope with expected future expansion.

And with an escudo which has devalued some 50 per cent since 1978 (and continues sliding downwards at a rate of one per cent a month against a basket of European currencies) expan-sion seems assured

Initiatives

Among, initiatives taken by the State Tourist Authority to selling of the country as a major European convention centre-and a Tourism Fair which attracted 1,500 Portuguese and foreign travel agents, earlier this year, and has given tourist promotion in many target areas

a big boost.
Why do tourists flock to
Portugal, and who are they? The tourist board has some profiles of its customers which show that unlike neighbouring Spain, the country does not attract mass tourism. Neither are those who come here on luxury tours. Rather the aver-age visitor seems to be a middle iacome citizen on a group tour. Portugal is apparently a favourite sunning spot for students, teachers, middle management and skilled workers, among others

To these, as to any other, the tourist carrying hard currency, Portugal, overall, offers There is luxury to be enjoyed moves were under way to combut unlike the rest of Europe plete dozens of half built build. It is at a fair price. In the

FOUR MILLION tourists are ex-pected to visit Portugal (population 9m) this year as the foreign input to Portugal, last, which were under construction, years ago. While princesses and cratised by the revolution five years ago. While princesses and business tycoons still look in on the casinos and the golf courses simple people are crowding out the hotels.

Looking ahead. Portuguese tourism clearly has considerable potential. While the Algarve. the environs of Lisbon and Madeira are the favourite sun spots, Portugal still has large areas of untapped beauty which make a number of the betterknown resorts of Europe look like wasteland, in comparison

A good illustration of this is the Green Coast and Minho mountain region anoth of Oporto, which offers beaches flanked by green blues and topped by panoratic vineyards and rolling nountains. Turough-out the year there is hardly a foreign tourist in sight—and developed little over the past 50

The picture is similar in the beautiful mid-Atlantic volcanic islands of the Azores, Portugal's equivalent of the Canaries. The recent \$50m economic aid package offered to the Azores, in return for continued use of the Lajes military air base, could contribute to the develop ment of a region which has been neglected in the past

There are economists. course, who see a danger in the development of Portuguese tourism. As a source of foreign exchange, its future contribu-tion to the balance of payments undisputed. There is a fear though of excessive concentration on the sector, made at the of industry and

As one critic put it: "We want to join the EEC, but not simply as the holiday camp of Europe."

Kenneth Pottinger

Textiles sector buoyant

ployer, with 20 per cent of the manufacturing labour force, and gest exporter, accountin for 30 per cent of the country's Its importance also lies in the indirect employment it offers in other sectors, such as services and transport, and in the regional role it plays.

Most of the employment in country in small towns and villages within an hour or so's drive from Oporto, though there are other important centres elsewhere in the east and northeast, such as Portalegre (manmade fibres); and Covilha (wool textiles).

In many of these small towns. source of employplace to Lisbon and Oporto and to other European centres. The buoyant performance of quota.

the industry over the past year, at a time when most other importance, helping Portugal to earn much of the foreign exchange it has needed to finance costly imports of food. capital equipment and other

Yet well as the industry has performed, the contribution it ies been able to make towards Portugal's many economic prob-lems has been limited by factors which is now causing serious concern to the industry, its Though many companies are

now working at a relatively high rate of capacity, with demand from important markets such as generally regarded as barren Britain still very strong, manufacturers are warning that tough quota restrictions imposed by the EEC over the past figure of around one third. To two years could produce a some extent the Portuguese serious crisis for textiles and point out this is itself the clothing within the next few months, leading possibly in some cases to closures and bank ruptcies.

The EEC decision to place Portugal under quota control. along with other Mediterranean regarded as unfair by the Portuguese, but the effects have, in fact, turned out to be worse than expected for two reasons.

Firstly, the restrictions (as in the case of other countries brought under control) were based on export peformance in 1976; a year which—because of the turmoil following the country's revolution-happened to be one of the worst experienced by the industry. Thus, quotas for many pro-

levels achieved in the early 1970s and, in the case of Britain total exports last year (in the event, substantially above quota) fell around 3,000 tons short of the 1973 total Tight quota restrictions have

on quotas has become available. has also fallen as a result of the industry should cultivate.

The 1978 agreement with the the high rate of domestic infla
Economic pressures have EEC was not reached until well into last year, by which time most manufacturers had signed contracts with their big retail customers. As a result, quotas in some

products were greatly exceded. This year's quotas, finalised under an agreement for 1979-81, reached at the end of 1978, were only made known to the industry late in the first quarter, long after orders for products had been placed As a result, in some sectors-

such as shirts and blouses-70. per cent of the quota had been textiles represents the only (or shipped by the end of May and some manufacturers are now ment and is therefore a valuable deeply concerned that within brake on the drift in population that would otherwise take longer be able to deliver goods to customers in fulfilment of orders because of lack of

The difficulty is greatest in the UK and Germany, but there sectors have been in decline, has are problems, too, in France therefore been of considerable and Belgium, and outside the EEC in Norway.

Controls

The industry's problems are largely the result of its heavy dependence on the UK where pressure from imports from all sources has been particularly strong, leading to determined lems has been limited by factors lobbying by the domestic outside its control, and it is this industry for controls. Portuguese manufacturers have made efforts to diversify into other trade associations and to the markets, but with limited

> than 2 per cent of the country's textiles exports last year and is ground while Germany took only 7 per cent and France 8 per cent compared with the UK

Italy, for example, took less

WHEN PORTUGAL'S large also been imposed by West result of the quota system which than 50 people, with fewer than textiles and garments sector Germany which fakes less than tends to freeze the existing pat- 20 employing more than 500. does well it is usually a good one per cent of its total textile text of exports, with country. The Werner report is likely to sign for the economy of the imports from Portugal.

A further complication for based on past performance. To rationalisation of the smaller polyer with 20 per cent of the products and markets and general products and markets also fallen as a result of the industry spoods at which products and markets.

Portugal's case for more

generous treatment is now being looked at by the EEC and unless some relaxation in quota levels is authorised the sector is achieve. likely, according to some Government and industry officials, to suffer serious damage. This, in itself, could lead to social and economic problems and hence to an undermining of the country's fragile political sta-bility. The argument being

cial consideration, possibly by being allowed to use up quota not fully utilised by third coun-tries outside the EEC and its grouping of Mediterranean associates. Without a strong textile industry, it is being claimed, Portugal could be too weak industrially to enter the EEC and should therefore be encouraged to develop its mar-

pean countries. But while quotas are the immediate pre-occupation the need to look further ahead has also been recognised by the Portuguese authorities with the appointment of Werner Associates, a firm of manage ment consultants, to look into the structure of the textile and

clothing industry.

kets in richer northern Euro-

The industry is now heavily. concentrated towards house-hold textiles (sheets and table cloths), men's shirts, trousers, suits, women's blouses and tee shirts. In addition, it is a substantial supplier to overseas markets of cotton fabric and yarn (though recently because of strong demand it has begun importing cotton yarn for the first time).

In structure it consists of around 2,000 companies, more than half of which employ less

Economic pressures have already beided to bring some regrouping but with the industry, still very largely in family hands, and voluntary mergers have not been easy to

Providing serious damage both to the industry itself and to customer confidence does not result from the short-term quota difficulties; the Portuguese authorities believe their textile sector can, in the longer-term, represent a substantial asset to the EEC. It will offer after authorities is that, as an applicant for EEC membership. Portuguese entry some time in the early 1980s a low cost base Portugal should be shown specific the community for the within the community for tex-tile manufacture, able to compete with many of the more distant low-cost suppliers in the Far East

As such the Portuguese expect their importance as a sup-plier of labour intensive items such as clothing to go on increasing with Portugal in many cases processing yarns and fabrics—the capital intensive textiles sectors—produced else-where in the community.

Much will clearly depend on the terms for Portuguese entry, but the industry, at this stage, believes that with a transitional period of perhaps five years it will be able to adjust to the increased competition which it can expect from the textile can expect from the textue industry in other parts of Europe now largely excluded from the Portuguese market by tailff protection. The Industry is expecting as a minimum however, access to other EEC markets, free of quota control, immediately on entry.

Within the EEC and able to sell its goods freely in the Euro-pean market, the industry is confident it can play an even bigger part in future in helping to sustain the Portuguese

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Sir John King on U.S. bank Board

Sir John King, chairman of D. O. Welsh has been made a Bebrock and Wilsox, has been director of John Laing Conelected to the Beard of FIRST struction Plant and Transport UNION CORPORARION OF Services.

CHARLOTTE, North Carolina.

First Union, a bank holding come Mr. Jan A. Duncan, an pany, provides a variety of finanexecutive for the past five years cial services throughout the with Avis, has joined RELIANCE southeastern U.S. and in Europe WORLD TRADE COMPANY in and the Far East. Its principal London as vice president-subsidiary is First Union treasurer responsible for European treasury operations.

A marketing expansion scheme
by ARIOLA RECORDS in the ment finance subsidiary of
UK is to come intofull operation
by September I with investment
company Berteismann Business
relationship has been renewed
for three years with Pye Records,
which will carry out Ariola's
pressing and distribution in
addition to the company's sales
force a number of immediate
appointments have been made at
Ariola. Mr. Andrew Pryor becomes senior director, reporting
to Mr. Robin Blanchflower, managing director. Mr. Ray Jenks
joins the company as sales director from Polydor Records, Mr.
Paul Rochman is now financial
director, Mr. Frank Pritchard,
head of regional operations, and
Mr. W. R. Bucknaff, managing
director of Qualter fiall and Co.
and Professor H.E. Cohen, head
of mineral technology at the
Royal School of Maes, London,
Royal School of Maes, London,
Royal School of Maes, London, hend of regional operations, and Mr. Ian Kingsley and Mr. Mike Perry, northern and southern regional managers, respectively. Mr. David Shortt has been made product manager and Miss Barbara Lodge, marketing department coordinator.

Mr. M. Joseph has been elected to the board of P. S. REFSON AND CO. He is managing direc-tor of City Merchants a

A corrected agency announcement states that following the joint venture between the Tootal and the National Enterprise Board for the reorganisation of YATES DUXBURY AND SONS. YATES DUXBURY AND SONS.
Mr. A. W. Ward, director, North
West, NEB, Mr. E. B. White,
Tootal group treasurer, and Mr.
G. P. Morhen have been
appointed non-executive directors. Mr. A. N. Wilson, a director of Tootal continues as chairman together with Mr. R.
Cropper as managing director.
Mr. C. Bradford, secretary/
financial director, Mr. J. C. Harrington, sales director and Mr.
G. W. Harris, production director. G .W. Harris, production director.

Mr. Dan Simson finance director of LAKE AND ELLIOT. resigns on August 3, to take up an appointment as general manager of PHILIP MORRIS, Nigeria.

Mr. A. B. Houstoun has been appointed Convener of the SCOTTISH LANDOWNERS PEDERATION succeeding the Duke of Atholl, who had completed his term of office.

Mr. A. B. Cameron, who joined the Fenner Group in January 1975 to take charge of research and development services; has been appointed to the Board of J. H. FENNER AND CO.

Mr. H. S. Engandard Telephones and Cables and sentor officer for ITT in this country.

Mr. A. B. Cameron, who joined the Fenner Group in January 1975 to take charge of research and development services; has been appointed to the Board of J. H. FENNER AND CO.

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Mr. A. M. Day has been appointed group chief accountsn't for LESSER SERVICES with the status of director. He reports directly to Mr. G. Herman, the group financial director.

CIALE, Milan, and continues with his responsibilities as foreign manager.

Mr. Leonard A. Caldwell has been made senior vice president of FIRST PENNSYLVANIA
BANK and continues as division
head for Europe, Middle East
and Africa out of London. Mr. Francis J. Schmidt, responsible subsidiary. Mr. Middlin confor Middle Eastern and African thous as general manager of countries, has become vice Mount Isa Operations.

LAING CONSTRUCTION. Fr. trust.

and Professor H. E. Coben, head of mineral technology at the Royal School of Mines, London, have joined the Board of MATTHEW HALL ORTECH as non-executive directors. Mr. C. J. Saunders has been appointed a director of Ortech with executive responsibilities for consultancy.

Mr. Jacques Thunnissen has been appointed general manager of the London branch of CREDIT INDUSTRIES ET COM-MERCIAL. He was formerly with the head office as Directeur Adjoint in the corporate banking department. Mr.
Thunnissen replaces Mr. MaxHubert Schroeder, who is
returning to head office in Paris,

the UK. He is chairman and chief executive of Standard Tele-

Mr. H. K. Justi has become chairman of ANCHOR CHEMI-CAL COMPANY and Mr. R. W. Descon and Dr. C. G. They have been made joidt managing direc-tors following the distin of Lord Hewlett.

group financial director.

Mr. Raimondo Eruzzi has been appointed deputy chief general manager of CREDITO COMMER.

CIALE, Milan. and confinues. (London), has resigned his directorships to become sentor underwriter for excess loss business with Skandia Group, Latin American zone in Mexico.

Mr. John Middlin has been appointed a director of MiM HOLPINGS. Br. W. R. Doughty has joined the Board of BRI-TANNIA LEAD COMPANY, a

Mr. Paul Beament has been Mr. C. H. Bowles has been appointed a director of WIN-appointed managing director of TRUST SECURITIES, the mer-the trading division of JOHN chant bank subsidiary of Win-

BANK RETURN

	Wednesday July 18 1979	Increase (+) or Decrease (+) for week
BANKING	DEPARTMEN	T
Liabilities Capital Public Deposits Special Deposits	2 14,553 000 24,045 405 91,985,000 454,795,418	£ 1,253,027 6,350,000 + 24,396,785 - 35,584,528
Reserves & other Accounts	569,563,619 1,154,912,442	18,790,770
ASSETS Government Securities Advances & Other Accounts Premises Equipment & Other Secs. Notes	652,405,815 185,023,896 311,758,895 25,520,462 203,974	- 12,155,000 50 294,544 + 1,691 303 + 21,965,732 6,361
	1,154,912,442	- 18,790,770
ISSUE I	EPARTMENT	
Liabilities Notes issued In Circulation In Banking Department	2,700,060,000 9,674,479,538 25,520,462	+ 250,000,000 + 228,036,268 + 21,963,752
ASSETS Government Debt: Other Government Securities Other Securities	11,015,000 8,344,489,581 1,544,496,519	+ 213,851,478 + 36.148,522
이 얼마는 그 가게 되었다.	9,700,000,000	+ 250,000,000

FOOD PRICE MOVEMENTS Week ago Month ago July 19 £ 1,150 1,095 1,095 1,180 Danish A.I per ton ... 1,180 British A.1 per ton ... 1,120 Ulster A.1 per ton ... 1,120 1,120 1,120 BUTTER NZ per 20 kg 12.12/11.97 12.12/11.97 14.22/14.37 NZ per tonne ... English cheddar trad Home produced: 2.80/3.20 3.20/3.30 Size 4 2.90/3.20 3.50/4.20 Size 2 3.60/3.80 3.50/3.70 July 19 Week ago Month ago Scottish killed sides ex-KKCF 65.0/70.0 Eire forequarters 39.0/43.0 64.0/68.0 66.0/70.0 41.0/43.0 44.0/46.0 66.0/76.0 50.0/52.0 58.0/62.0 NZ PLs/PMs 49.0/51.0 49.0/51.0 34.0/44.0 All weights 35.0/44.0. 34.5/44.0 41.0/44.0 Oven-ready chickens... 415/440 41.0/44.0 London Egg Exchange price per 120 eggs. † Delivered. Unavailable. ¶ For delivery July 21-28.

4



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Preference will be given to applications from nationals of the countries concerned who can offer the ability and experience to carry out duties at senior level. These will include those normally associated with the day to day running of an Accounts Department in a commercial operation. Salary and other benefits appropriate to overseas employment.

COMPANY NOTICES

GREATERMANS STORES LIMITED NOTICE TO SHAREHOLDERS DIVIDENDS ON PREFERENCE

NOTICE IS HEREBY GIVEN that the Board of Directors has declared to Board of Directors has declared to the following dividends payable on Till Directors 1979 the following dividends payable on the 51st Adoust, 1979, to 6%, 5%, scond 5%, and Third 5%. Preference Sharebolders respectively, resistered in the books of the Company, at the close of business on Friday, 3rd August, 1979.

A—5% CUMULATIVE PREFERENCE SHARES—DIVIDEND No. 87.
A dividend at the rate of 5%, per annum for the six months ending 31st August, 1979—equivalent to 5 cents per share.

B—5% CUMULATIVE PREFERENCE SHARES—DIVIDEND No. 73.
A dividend at the rate of 5% per annum for the six months ending 31st August, 1979—equivalent to 5 cents per share.

C—58COND 5% CUMULATIVE PREFERENCE SHARES—DIVIDEND No. 87.

CHARLES—DIVIDEND NO. 73.

A dividend at the rate of 5% per share.

C—58COND 5% CUMULATIVE PREFERENCE SHARES—DIVIDEND No. 87.

A dividend at the rate of 5% per share.

PREFERENCE SHARES—DIVIDEND No. 87.
A dividend at the rate of 5% per amon for the tax months ending 31st Angust. 1879—equivalent to 5 cents per share.
D—THIRD 5% CUMULATIVE PREFERENCE SHARES—DIVIDEND No. 65.
A dividend at the rate of 5% per amon for the six months ending 31st Angust 1979—equivalent to 5 conts per share.
The dividends are declared in South African currency and dividends payable from the London Oface will be paid in United Kingdion currency calculated at the rate of exchange ruling between Rand and Sherling on the 23rd August 1879.

in United Ringdom currency calculated of the rate of eachings ruling between Rand and Sperling on the 23rd August 1979.

Divisiond cheques despatched from the Londom Office to persons resident in Great Britain or nersons resident in Great Britain or Northern Ireland will be sorbiect to a deduction of United Ringdom income Tax at rates to be arrived at after allowing for relief (if any) in respect of South African Taxes.

The Company will, where applicable, seeded, the Non-Resident Shareholders! Tax of 15°s, from dividends payable, for the purpose of paying the 240re of South Company will allow the State Registers, in reserved to the above Prevence Shares, will be considered the State Registers, in reserved to the above Prevence Shares, when the state of the above Prevence Shares, when the State Registers is the Shares will be a supposed to the State Registers.

By Order of the Board. B. C. CRAGG, Secretary Registered and Transfer Office 229. Commissioner Street, JOHANNESBURG.

NICHII CO. ATD. Earther to Notice of April 26, 1979. The Chase Manhattan Bank, N.A. Bhonince that the year end cast dividend of Yen 9.0 her share toot Yen 8.50 per where as previously agnomiced mon receipt of whisial advice from Tokya) has been corrected to U.S. Dollars and amounts to U.S. S41.12 gross per EDR. holders may DS. Dollars and amounts to U.S.41.12 gross per EDR.
Accordingly EDR bolders may breaser. Coopon No. 5 to payment forthwith at The Chake Manhattan Sank, No., Woolgate House, Coleman Street, Loadon, ECLP 2010, or at Chake Manhattan Bank Luxembourg, S.A. 47. Soulerard Royal, Longan-bases, subject to deduction of Japanese withholding Tax (if any) at the appropriate rates.

THE CHASE MANHATTAN BANK N.A., LONDON as Depastizly, 1979.

BOND DRAWING

COMMONWEALTH OF AUSTRALIA EUA 15,000,000 8% 1971-1986 Holders of the above monitioned books are berevith informed that the redemption instalment of UA 200,000.— due of August 15: 1979, has been satisfied by books drawn by lot in the presence of a notary petitic.

The books drawn bear he ammers mentioned below and will be redempable at Par of and after August 13: 1979; 2084-8190 inclusive, 81278-8571 inclusive, 8278-8571 inclusive, 8378-8482 inclusive, 8488-8332 inclusive, 8578-8666 benchaire, 8577-8966 inclusive, 8488-8332 inclusive, 8587-8966 inclusive, 8488-8352 inclusive, 8587-8666 benchaire, 8577-8966 inclusive, 8488-8352 inclusive, 8587-8966 inclusive, 8586-8561 inclusive, 85866 benchaire, 8577-8968 inclusive, 8586 inclusive, 85866 inclusive, 8586-8561 inclusive The amount remaining department of the redemption date will be U.A. 10,600,000.—
Furthermore, it is recalled that the bonds comprised between Nr. 387 to 1019 are redremable since August 1st. 1977, and the bonds comprised between Nr. 1958 to 2753 are redoctable since August 1st. 1978.

Not all of the bonds have been recognited for payment. EANQUE INTERNATIONALE A Lexembourg. 20th July. 1979.

BANQUE NATIONALE DE PARIS

Floating Rate Note Issue of US\$ 70 million January 1977/1983

for the six-month period beginning 21st July and set by the research the reference agent is

CANADIAN OVERSEAS FACKAGING

CANADIAN OVERSEAS PACKAGING INDUSTRIES LIMITED

ANNOUNCEMENT
Following changes in the Federal Company Law in Canada it will be advisable for this Company to hold a Special General Meeting in late 1979 to adopt a Special Resolution to approve the continuance of the Campany pursuant to the Canada Business Corporations Act. As that time it will be necessary to revise the Company is the recessary to revise the Company is 8y-Laws to accord with the new law and further octails will be circulated to Shareholders prior to the meeting. In the meantime the Directors comider the control of the meantime the Directors comider the control of the control of the meantime of the company on the basiness and accordingly the Directors have declared a Stock Dividend on the Common shares of the Company on the basis of one common share for each two shares held to Shareholders of record on the 21st September 1979. The issued and hally paid Common share capital will thus be increased from 9.375.000 common shares NPV to 14,052,500 common shares NPV to 14,052,500 common shares NPV to 14,052,500 common shares will transfer from retained samings the sum of \$11,953,125 to the issued share capital account. Payment of the Stock Dividend will be on the 11th October 1979.

By Order of the Boomet 1979.

By Order of the Boomet 1979.

By Order of the Boomet 1979.

By Order of the Station 'A.'

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of Save & Prosper Dollar Fixed-Interest Fund Limited will be held at Dolphin House. Colomberie. St. Heller, Jersey. Channel, 1979, at 12.30 p.m. for the following porposes. namely: 1979 at 12.20 p.m. for the following porposes: namely:

1 To receive and consider the Recorts of the Directors and of the Auditors and the Statements of Account for the year ended 31st May. 1979.

2 To confirm the interim dividend payments to holders of participating shares of .USY3.50 on 15th January 1979.

3 To re-elect Mr. W. G. N. Miller as a fifrector of the Company.

4 To re-elect Mr. W. N. Rumball as a Director of the Company.

5 To confirm the payment of Director's feet of 193550 to rech of Measers. J. D. Camabell. A. Civde-Smith. D. C. Eldrirde. and W. N. Rumball. S. To re-appoint Coopers & Lybrand as Auditors at a fee to be agreed by the Directors.

7. To transact any other business of an Auditors at a fee to be agreed by the Directors.

7. To transact any other business of an Annual General Meeting.

By Order of the Board.

SAVE & PROSPED "LERSEY) LIMITED

Scholary 1979.

A Member entitled to attend and vote at this Meeting may appoint one or more crasies to attend and on a poll, your in his stead. A proxy need not be a member of the Company. Proxies must be lodged at the Company's Registered Office of the Company's Registered Office and force force of the Company's Registered Office the Meeting.

N.V. ENGELSCH-HOLLANDSCHE BELEGGINGS TRUST (English and Dutch Investment Trust) Established in Amsterdam

Participation Certificates

(Issued by Royal Exchange Assurance)

NOTICE IS HEREBY GIVEN that the net

NOTICE IS HEREBY GIVEN that the net

notificate as at 30th June. 1979, using
the official rates of exchange was pounds

sterling 18.23.

BY Order of the Board,

HOLLANDSE KOOPMANSBANK N.V.

Managers . Managers Sarphatistraat 14a, Amstercam. 20th July,1979.

ART GALLERIES

WANTED

NON EXECUTIVE **DIRECTORSHIPS** REQUIRED

BY YOUNG PROPERTY MILLIONAIRE Write Box A.6845, Financial Tim 10, Cannon Street, EC4P 48Y.

Chief Economic Adviser

The National Farmers Union wishes to appoint a successor to Professor Asher Winegarten C.B.E. as Chief Economic Adviser.

- FOR THIS ROLE, broad ranging in scope and critical to the future of the farming industry, an authority in economics of international statute and attainment is required.
- REMUNERATION is for discussion: it will not be a limiting factor.

Those to whom this appointment is of interest are invited to write in complete confidence to A. Barker as adviser to the N.F.U.

TYZACK & PARTNERS LTD

10 HALLAM STREET ... LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGII LH2 4DN

Dr. Helmut Neumann Management-Beratung

Management Accountant Sales Controlling · Corporate Planning

We are an important international company and very well established for many years in the German market for consumer goods. Our German daughter-company is growing rapidly each year with expansion rates far above average. Some of our high-quality products are "number one" in their specific markets. To ensure the continuous growth also from the financial side, we are planning to strengthen our planning and controlling-

In the position of management accountant, directly reporting to the director of finance and in close co-operation with marketing and sales, you will have to analyse the efficiency of activities, particularly as regards terms of trade, rebates prices, promotions as well as financial analyses regarding distribution. You also will be involved in corporate planning and organisation-analyses: Having obtained your economics degree you should then have gained some years experience in finance-and/or corporate-planning, preferably within a sales-oriented consumer-goods company. The position, which requires a German speaking individual with a good command of English, could just be the challenge you are looking for. We are able to offer excellent salary - and contract conditions and also inspiring international work environment.

For detailed information please contact our consultant or send your full application to Dr. Helmut Neuman, Management-Beratung GmbH, Zeppelinstr. 301, D-4330 Muelheim, Telephone 0208/370032. Your application will be handled with strict confidentiality.

LEGAL NOTICES

THE COMPANIES ACTS 1948 to 1976
ADAM HUDSON (MANUFACTURING)
LIMITED
NOTICE IS HEREBY GIVEN, pursuant
to Section 293 of the Companies Act
1948, that a Meeting of the Creditors
of the above-named Company will be
held at the offices of
LEONARD CURTIS & CO..
situated at 3/4 Bentinck Street,
London W1A 3BA,
on Tuesday, the 24th day of July 1979,
at 12 of clock middey, for the purposes
mentioned in Sections 294 and 295 of
the said Act.
Dated this 9th day of July 1979.
By Order of the Board.
L. HUDSON. Director.
THE COMPANIES ACTS 1948 TO 1976

L. HUDSON. Director.

THE COMPANIES ACTS 1948 TO 1976
ADOLF BLUM & POPPER LIMITED
NOTICE IS HEREBY GIVEN, pursuant
to Section 293 of the Companies. Act
1949, that a meeting of the Creditors
of the above-named Company will be
neld at the offices of
LEONARD CURTIS & CO.,
situated at

LEONARD CURTIS & CO., situated at 3/4 Bentifick Street.
London WIA 38A
on Friday, the 27th day of July 1979 at 12 o'clock midday for the purposes mentioned in sections 294 and 295 of the said Act.
Dated this 12th day of July 1979.
By Order of the Board
E. E. BLUM, Director.
THE COMPANIES ACTS 1948 to 1976
CHOSIBU LIMITED
NOTICE IS HERBRY GIVEN, pursuant to Section 293 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at the offices of

of the above-named Company will be held at the offices of LEONARD CURTIS & CO., situate at 3/4 Bentinck Street, London WIA 3BA, on Weanesday, the 25th day of July, 1979, at 12 o'clock midday, for the purposes mentioned in Sections 294 and 295 of the said Act.

Dated this 9th day of July, 1979, By Order of the Board, H. RICHMAN, Director.

IN THE MATTER OF

LEWIS ALTMAN & CO. (UNLIMITED)

AND IN THE MATTER OF THE

COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the

creditors of the above-named Company,

which is being voluntarily wound up, are required, on or before the 13th day of August, 1979, to send in their full Christian and surnames, their still Christian and surnames, their still christian and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned DEREK ERNEST HUDSON, of Buchanan House, 24-30, Holborn, London, ECIN 2HS

The Liquidator of the said Company, and, if so required by notice in withing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place 35 shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 12th day of July, 1979.

NB.—This notice is purely format. All known creditors have been, or will be, ped in full.

THE COMPANIES ACTS 1948 TO 1976

peid in full.

THE COMPANIES ACTS 1948 TO 1976

NOTICE IS HEREBY GIVEN, pursuant to Section 293 of the Companies Act 1948, that a meeting of the Creditors of the above-named Company will be held at the offices of LEONARD CURTIS & CO...

situated at 3/4 Bentinck Street, London W1A 3BA London W1A 3BA
on Tuesday, the 31st day of July 1579,
at 12 o'clock middy for the purposes
mantioned in sections 294 and 295 of
the said Act.
Dated this 13th day of July 1879.
By Order of the Board,
D. A. PRATT, Director.

IN THE MATTER OF

MR. STONE'S WHOLESALE COMPANY
LIMITED

AND IN THE MATTER OF

THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the
creditors of the above-named Company,
which is being voluntarily wound up,
are required, on or before the 17th day
of August, 1979, to send in their
full Christian and surnames, their
addresses and descriptions, full particulars of their debts or claims, and
the names and addresses of their

ART GALLERIES

AGNEY GALLERY, 43, Old Bond St.: W.1. 01-629 6176. Exhibition of OLD MASTER PAINTINGS. Umil 27 July, Mon.-Fri. 9,30-5.30, Thurs, until 7. FIELDSOURNE GALLERIES, 63. Queen 1 Grove, N.W.S. 586 3500, RODNEY 8URN, R.A. Eightieth Birthday Exhibi-tion. CALLERY. Contemporary Artists of the English School. LEFEVRE GALLERY. CONTEMPORARY PAINTINGS. Weekdays 10-5. At 30. Bruton Street. London, W.1. Tel. 01-493 1572. 1572.

MALL GALLERIES, The Mall. S.W.1.

Waterplours by George Aiestow Mon-fer. 10-5. Sats. 10-1. Until July 30.

Adm. free. uptel 7.

ANTHONY d'OFFAY, 9. Dering St.. New
Band St. VANESSA BELL. Mon.-Fri.
10-6. Sais. 10-1- 629 1578. 10-6. Sats. 10-1. 629 1578.

BRDD GALLERY. 24. St. James's St.
S.W.1. 01-839 3871. Paintings by
JAN BRUEGHEL THE ELDER. until 20th
July. Weekdays 10-6. Sats. 10-1.

BROWSE & DARBY LTD. 19. Cork St.
W.1. KEITH GRANT—RECENT PAINTINGS. "A WINTER JOURNEY." Adm. mee.

MALL GALLERIES, The Mail, S.W.T.
Society of Women Artists 117th Exhibi-tion, Dally (Inc. Sans.), 10-5. Until 1 pm 25th July. Adm. 20p. **EXHIBITIONS** THE WORSHIPFUL COMPANY OF GOLD-SMITHS announce "LOOT '79"—every-things for sale up to 1700 and a new section "Superioat" ESOO and over Exhibition open 10.18-3.00 Mon.-Sat. 9th-28th July, 1979. Goldsmith's Hall, Foster Lane, E.C.2. Tube St. Paul's. Admission (red. ITUM and WUNKS UNDER \$500.

HAMILTONS, 13, Carlos Piace, Nr.
Growenor Square, W.1, 498 9493-4

ONE HUNDRED RAZILIAN PRIMITIVE
AND NATIVE PAINTINGS. Scalebures
by EELLA KARAWAEWA PRADO.
BOORDORED by the Brazilian Embassy. 5

July-31 July.

fied in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 10th day of July, 1979.

PHILIP MONJACK Liquidator

PHILIP MONJACK Liquidator
THE COMPANIES ACTS 1948 TO 1976
SNUGFORD LIMITED
NOTICE IS HEREBY GIVEN, pursuant
to Section 293 of the Companies Act
1948, that a Meeting of the Creditors
of the above-named Company will be
held at the offices of
1FONARD CURTIS & CO.
3/4 Bentinck Street,
London, WIA 354.

Solicitors (if any), to the undersigned on Thursday, the 26th day of July, 1975.

PHILIP MONJACK, FCA.
of 3/4 Bentinck Street.
London, WIA 38A.

Control of Street on Sections 292 and 295 of the said Act. Liquidator of the said Company, if so required by notice in writing in the said Liquidator, are, personor by their Solicitors, to come in prove their Lebis or claims at hit me and place as shall be speci-Doted this 10th day of July, 1979, By Order of the Board, J. S. KRUGER Director,

THE COMPANIES ACTS 1948 TO 1978
TIONASTON LIMITED
NOTICE IS HEREBY GIVEN, pursuent
to Section 293 of the Companies Act
1948, that a meeting of the Creditors
of the above-n-med Company will be
held at the offices of
LEONARD CURTIS & CO. LEGNARD CURTIS & CO situated or situated or 2.4 Bentinch Street, London WiA 28A.

In Tuesday, toe 21st cay of Juny 1979, at 3.00 o'clock in the elternoon for the purposes mentioned in Sections 234 and 295 of the said Act.

Datod this 13th day of July 1979, By Order of the Boord.

D. A. PRATT, Director.

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THE PROPERTY MARKET BY MICHAEL CASSELL

MEPC to start on Long Acre

inadequate finances, MEPC is to start work on its huge Long pany when it was set up in 1972 sider full-scale development. Acre office development in London's Covent Garden.

£10m to buy out Reed Interna- help for the scheme. He com-tional's 49 per cent share in mented: We are determined MEPC-Reed Properties — the to do this on a true side by side Long Acre site is included in funding arrangement.

its portfolio—will have develop
"By that, I mean we will

take three years to complete. It will provide about 194,000 sq ft financial commitment." of office space and another With work starting in a few 20,000 sq ft of archive space weeks time. MEPC is clearly on a 3.2 acre site which was confident that a suitable deal once the home of the former can be arranged before long. of the business."

Odhams Press.

The company has had detailed In return for

AFTER YEARS of planning After thetakeover of IPC by planning consent for the to be paid in 1983—Reed has wrangles, battles with environmental groups and invariably of property interest transferred done, although its finances have Long Acre site.

"By that, I mean we will

With work starting in a few

portion to the extent of their

to the MEPC-Reed joint com- not until now allowed it to con-

The company, which this yesterday that the company was the same time as the purchase nearly £19m for its stake, week announced it was paying now looking for institutional of the Reed stake in MEPC-Reed In 1977-78 the company was the same time as the purchase nearly £19m for its stake. was co-incidental, and that their earned a small profit but "very good partners" had not announced it had written down heen in any way responsible for investment properties and made

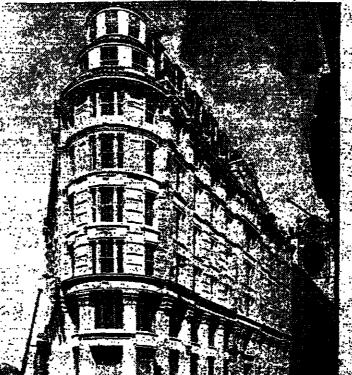
ment under way in October.

The project is likely to cost a little more than £40m and will risk and profit involved in proing programme and by early last it had an option to buy the year Mr. Alex Jarratt, the chair- balance of the equity after 1985 man was saying that property -leaves Reed with one property development was regarded as subsidiary, Kings Reach Invest-irrelevant to the main thrust ments, in which it has a 39 per

At the time the joint company was set up, the properties Mr. Christopher Benson, man-aging director of MEPC, said the go-ahead for Long Acre at about £36m and MEPC paid

In 1977-78 the company holding up the scheme's pro- provisions against development

of the business." cent stake. The Prudential In return for the £10m-£6m Assurance is the major partner.



The City of London Corporation has approved the grant of a building agreement and 99-year lease to the United Kingdom Temperance and General Provident Institution on Stafford House, King William Street, EC1. Freehold of the building, which will either be refurbished or rebuilt, is held jointly by the Corporation and the Mercers Company in their capacity as trustees of the Whittington Charlty. They secured an option to purchase for £5m the outstanding 38-year lease from head lessee Capel House Property and subsequently offered a new 99-year term on payment at 25.1m premium plus a share of rental income. R. Stationi. Charles acted for Capel House and Debenham Tewson and Chinnocks for UK Provident.

IN BRIEF f4 m, Sheridan Estates has obtained a forward commitment from an unnamed pension fund to purchase and provide interim finance for a 45,000 sq ft office development - pre-let to Tate and Lylé Engineering at £5.73 a sq ft - near Bromley South Station. Richard Ellis acted for Sheridan and Wright Oliphane for the publicity shy fund.

• Massey-Ferguson Holdings Pension Trust has made its first property investment and paid £2m for phase one of the 165,000 sq ft. Lakeside industrial estate in Redditch, Worcestershire. It is held on a lease from Redditch Development Corporation and eased back on a geared basis. Hillier Parker May and Rowden acted for Massey Fer-cuson and will manage the investment.

Sainsbury's is to build a store providing 21,600 sq ft of selling space on a three-acre site at Vauxhall's New Covent Garden Market. The land has been bought from the Covent Garden Market Authority and work on the store is scheduled to start in

 The UBM Pension Trust has let the former Youth Hostels Association headquarters in John Adam St., WC2 to Broadbent Advertis-ing at £10 a sq ft. The Trust bought the 5,200 sq ft building last year for £450,000 and has since modernised the pro-perty. UBM was advised by Hartnell Taylor Cook and Hampton and Sons acted for

• Haslemere Estate has let the office content of Brownlow House in High Hollors to Henry Butcher, the industrial and commercial estate agents. Rent achieved was in excess of £7.80 a sq ft. Butchers have taken a 25 year lease with five year reviews at an initial rent of £55,000 per annum. De Groot Coilis and Kemsley Whiteley and Ferris were joint letting agents.

Dimsdale Developments in conjunction with Crowvale Properties, is to pay more than £900,000 for a 125-year leasehold interest in Waverleasehold inferest in waver-ley District Council offices at Guildford, Surrey. Dinsible will carry out modernisation work on the hulding, which will provide 17,556 square feet of office space and car parking, Edwin Dickson intro-duced Dimerbels and Beneald. duced Dimsdale and Bonald-sons acted for the council

• The Merchant Navy Officers Pension Fund In assoomeors remain grant in asso-ciation with Percy Bilton have completed the purchase of about 71 array of freehold development hand on Western Avanue, Greenford, the for-mer Aladem Industries com-

Planning consent and IDC approval (one of the last?) has been granted for just over 154,000 square feet of industrial and wavehouse necom-modation and work is expected to start in September. When completed, the Fund's investment is likely to be worth in excess of 55m. St. Opinite acted for the Fund and vendors Sultan Mondial were represented by Hillier Parker May and Rowden. St. Quintin and Brian Cooper will be joint letting agents.

Whitehall's new package strikes hopeful note

On the instructions of the Peninsular & Oriental Steam Navigation Company

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George

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P. & O. DECK, P. &-O. BUILDING.

Car parking • Lifts • Director/Staff dining accommodation • Storage

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WOOTTON
Chartered Surveyors

01-6064060

THE PROPERTY world will the ramifications of a further cates will no longer be required estates and factories. series of Government measures which could affect property investment and development both to the series of the factory pension funds, seeking to building programme should be a cent in publicly quoted EEC continue but there should be a which could affect property investment and development both

speeding planning applications Development and reducing delays caused by swept away altogether. Sir Keith Joseph's pronounceon future regional industrial policy.

They include a further relaxa- any real impact from this type tion of exchange controls of move and there will be affecting investment in EEC some disappointment that affecting investment in EEC some disappointment that by the Corporation, countries, measures aimed at IDCs have not—like Office The relaxation of speeding planning are liked. Permits-been

More interesting was Sir Keith's comments on the Engtion-the hody responsible for arranging foreign currency

Sir Keith's decision that In- development and management loans or going through the prethis weekend seek to unravel dustrial Development Certifi- of Department of Industry mium.

> comfort for developers. greater element of self-They had already discounted financing. This has been interpreted as giving the green light finance the purchase. to a factory sales programme

The relaxation of exchange controls affecting EEC countries will allow bona fide UK property companies to acquire, direct publicly quoted property lish Industrial Estates Corpora- companies in the EEC without

Equally institutions, like the cent in publicly quoted EEC companies will have greater freedom of choice on how to

These moves may not have immediate impact on property investment but added to measures already introduced they make for a much healthier future investment.

Andrew Taylor

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Unit 3 30,600 sqft Unit4 29,700 sqft Unit5 25,800 sqft

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> For further details, please contact: CHARLES ST. BUILDINGS (UK) LTD., 856 Melton Road, Thurmaston, Leicester, Telephone: Leicester (0533) 693443.

(K) for Industry

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TO LET

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King&Co

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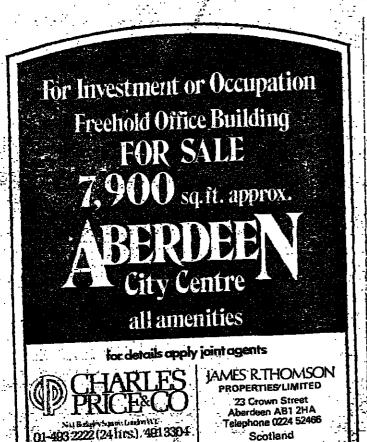
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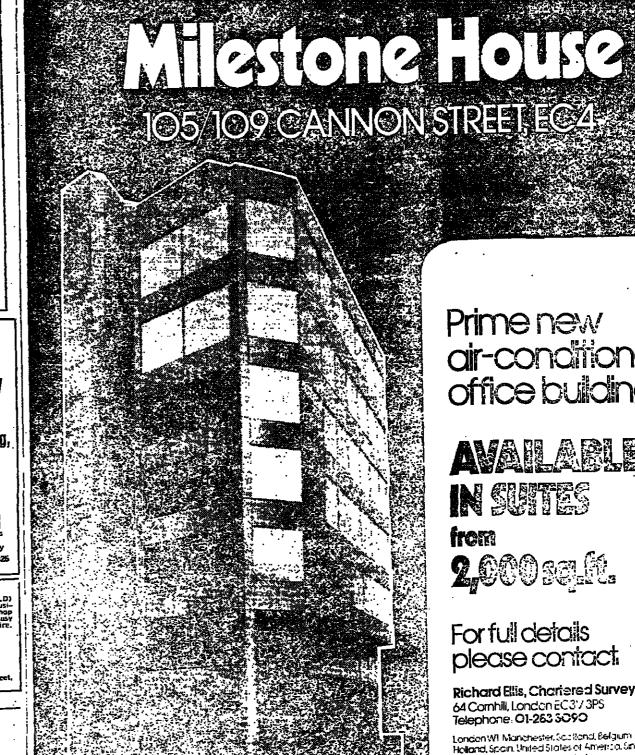
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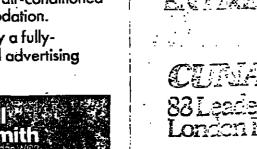
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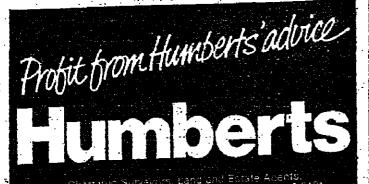
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announced.
Joining Signers and IBM in this area, University its 0677 printing system is an off-line unit with many benefits for

Among the nestor advantages are page by page rather than conventional time by line print-

ing to produce a constant 159 11-tock pages printed every minute, and repeat printing with

minutes and repeat printing with each page an original. Other characteristics are ability to intermix founts and line spacing, and to generate

Standard computer-type paper coloured paper and pre-printer

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The 9777 consists of a con-

troller, a display console, a disc drive magnetic tape unit and a

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At a constant speed of 29.167

six lines per inch at 10,500 lines

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Viaduct, London, ECI. 01-236

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custom founts and graphics.

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COMMUNICATIONS

Speeds goods from depots to retailers

FINDUS is bringing its sales area normally calling for excesoperation up to date, and at sive telephone time. Two others the same time improving ser-tested long-range reception in vice to retailers through the the predominantly billy, outer use of mobile radio-telephones, which are to be installed in most of the company's 51 distribution depots.

Recently developed by Pye Telecommunications, five - tone select Olympic radio-telephones are being introduced into the depots. Sales representatives at most of the company's premises will be on the air by mid-1980.

The decision to opt for the radio-telephone system was made following month long trials last year at the Findus depot in Sheffield, which proved the cost effectiveness and efficiency of mobile radio for sales order input

Testing the system against existing procedure of phoning batches of orders into depots. radio-telephones on sales journeys in central Sheffield, an

New phones on show

first time at the Telecom 79 offered in two configurations: exhibition in Geneva (Septemher 20 to 26 will be Pye TMC's six," referring to exchange and New Generation telephone in- extension lines respectively. struments designed primarily

for the business user. This NGT range will include both normal pulse signalling versions (the dialling technique still used in the UK) and the more modern multifrequency type widely used in the U.S. and elsewhere. Bellringers, tone callers and on-hook dialling will be available and there will also be a 10-address repertory dialling instrument in both tone and Malmesbury, Wilts SN16 9NA

Fibre work for GEC

WHILE formal announcement exploit the immediate export orders for UK industry for fibre systems is awaited, GEC has folthree different bit rates-8, 34

An NGT Planset is to be " one plus three " and " two plus

Croydon, Surrey. 01-686 3031.

Pye will also be showing the PRECISION hole-sizing equip-VISA viewdata business terminal which will be on-line to the UK, together with another version which incorporates hard copy printer and an alphanumeric keyboard which together are intended to form the basis of a fully-integrated communicating business terminal.

Pye TMC is at Swindon Road,

by the Post Office of £5m of potential. lowed BICC/Plessey with a miles containing 890 miles of sizes ranging from 16 in to machine to assist tool handling, statement of its own, placing low loss fibre. Places linked will 24 in, and at rates up to 1,500 the 400M also incorporates full emphasis on the fact that it will be London and Reading at 140 receive orders for systems in and 140 megabits/sec.

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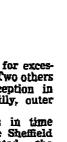
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GEC's share will be £2.6m. with a total route length of 111 The company believes that Reading and Oxford at 34 Mbits/ usually of tungsten carbide.

Edinburch EH2 2PJ



regions of the city, Substantial savings in time and money apart, the Sheffield experiment highlighted the benefits of staggering the relay of orders from street to office.

The efficiency of the depot was greatly enhanced by a regular flow of orders, with salesmen phoning in after every shop In addition, the depot was able to contact representatives

direct for the first time, which must result in a more spontaneous sales service to retailers. Findus, which claims to be the first frozen food company to make major use of radio for relaying orders, says its salesmen waste considerable time trying to find public telephones which have not been vandalised. Findus, St. George's House,

8121) aided Mersey Docks and Harbour Company in the successful operation of replac-ing outer lock gates at Gladstone Dock river entrance. Four-day lifting exercise also

Sykes Pumps, Woolwich Road, Charlton, London SE7 (01-858

METALWORK Fine finish for holes

ment can cut the cost of hole finishing by up to 80 per cent compared with conventional methods such as honing, broach-ing, and roller burnishing. The machine combines a new

work-handling system with the established practice of passing precision-ground ball through an undersized hole, to size, burnish and work-harden simultaneously. Work handling is by a captive ball system (patents, pending) in which the part and ball are held in a low-cost plastic shuttle block. The unit offers high productivity and the ability to change from one task to another virtually without interruption.

Capable of handling hole

this demonstrates the "out-sec (480 channels). Each cable Through-holes, blind holes machine which can utilise standing versatility" of its work will contain eight fibres and and elbows can be treated. Seats dard or special multi-punch in such systems, enabling it to power wires for the repeaters. can be coined and tubes swaged. tooling.

damaged plates and to com-pensate for any faults in the seals. These were of the ensured that the gates remained Pumpex drainage type and had buoyant during their two mile been supplied, two to each gate, from Sykes' local Liverjourney. pool depot. Power supply at this stage was provided by a diesel generator mounted on As a further safeguard, two 200 mm electro-submersible pumps were installed inside the the floating crane. gates to pump out any water-Innovations in tooling promise many new applications.

It is estimated that a basic

shift day. Hole sizing costs on this basis could be as little as ip per hole whether on small batch or high volume single product use. Further details from Ball Burnishing Machine Tools, Blanche Lane, South Minms, Potters Bar, Herts, EN6 3PB (Potters Bar 0707 44728).

unit will pay back its cost within six months when used

for only 50 per cent of a single-

Pumps aid lock gates removal

several tugs, and the pumps

portable pumping units from capacity floating crane and

Easier tool changing

IMPROVED VERSION of its multiple punching machine has been introduced by Worsley-Brehmer, Charnock Road, Liverpool (051-525 7468). Equipped with an additional work table at the rear of the

pieces per hour when hand interlocked safety guarding.
loaded, the equipment can size
to 0.0001 in accuracy and 1 shaped holes may be produced Mbits/sec (1920 speech chan-nels) Oxford and Banbury at to 0.0001 in accuracy and 1 shaped holes may be produced 8 Mbits/sec (120 channels) and micro-inch finish. The ball is 1 to printing industry requires 1 to printing

Any number of holes—round or shaped—can be punched simultaneously, up to the 32 in sheet width capacity of the machine. Maximum stack thickness of paper or card for punching at one operation is & in.

PACKAGING Cardboard case sealer

OF INTEREST to the canned food, drink, pharmaceutical and other industries packing products into cardboard cases is a machine from 3M which will separate the cartons as they come off a conveyor, fold the flaps and seal up the tops and bottoms at up to 27 items/min. without operator assistance.

Measuring only 37 x 63 x 81 inches the machine, known as the 3M-Matic 1AF can be quickly adjusted to seal, from rolls of two-inch Scotch tape, a variety of cases with heights ranging from 5.2 to 19.5 inches, widths from 5.6 to 20.5 and lengths from 5.9 to 27.5 inches. More from 3M United King-

dom, Packaging Systems, P.O. Box 1. Brackwell, Berks RG12 1JU (0344 58247).

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The development is in full operation, smoothly running under first-class cost-conscious management. There are substantial assets and a

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Director with full documentation will be in London and July.

Inquiries to Box T.5064, Financial Times

from one of Australia's richest farming and grazing districts.

\$45,000. Many homes already built.

Sale for family reasons only.

considerable cash flow.

INTERNATIONAL PROPERTY

SAFETY AND SECURITY

Spreads the alarm

experience of Barkway Elecfronics, which has installed its clearly and separately in each 700 series of warden call faterthe UK and abroad. The problems are can then be sent over the lem says the company, is that the sound often does not penetrate through the fire doors that ... More from the company at have to be fitted in such institut. Royston, Herts SGS SEE (076384)

ALTHOUGH the attempt is Barkway can now offer an always made to instal fire bells alternative where its 700 system in the best position for audi- is installed. By linking the fire bility in places like old people's detection/alarm system to the hemes they are often not heard, warden's console a suitable level particularly by the very elderly, of andio tone can be injected when an emergency system. when an emergency occurs. into the loudspeaker unit The alarm having sounded

700 series of warden call inter living unit, an anti-panic, communication systems both in explanatory or directional messame loudspeakers.

Fire prevention training

aspects of fire prevention, has and escape route areas-been launched by L and G Fire The middle manager

maintenance plan, which is being used throughout the UK by some 3,500 companies to ensure that through regular spe-cialist servicing all fire ex-tinguishers and other equipment are in perfect working

Courses are aimed at senior write an aspects of basic my petrot, electrical or wood and protection are common to all paper based conflagrations—followed by the types of exdirected to top management tinguishers available, how fire concentrates more on directors' alarm systems work and how to legal obligations with regard to evacuate premises.

INDUSTRIAL training for com- such matters as correct siting pany employees, covering all and location of extinguishers

Protection of Blackhorse Lame, course includes guidance on Walthamstow, London, 01-531 how they can help train depart-8426, distributors of fire pro-mental employees. The accent-tection systems and equipment, in the workforce orientated. "Onguard Training" is in-course is on "basic principles." tended to complement L and G's surrounding what to do and what not to do in the case of emergency.

middle management

Aspects common to all three

courses include instruction on what exactly fire is; advice on how risks can be reduced in-cluding, for example, the storage of materials, as well as an analysis of how fires are management, middle manage generally caused. The classes ment and the work force and of fire are analysed—including while all aspects of basic fire petrol, electrical or wood and protection are common to all paper based confiagrations—fol-

Discourages intruders

small premises owners or house- to summon help quickly. holders which can be installed . A bleeper unit offers and for £260 and annual mainten internal audible warning and ance payments of £25:

Five inputs are provided, to

which various sensors can be connected, including pressure

OFFERED by Group 4 Total personal attack buttons which Security is an alarm system for can be wired to strategic points;

operates in conjunction with an inches per second it can print The company claims that the outside bell, a high power system, initiated by a single device which is placed in a executive key, cannot be tane clearly visible position to act pered with, any attempt to do as a deterrent. An integral reso causing the alarm to be chargeable battery ensures that if the mains connections are tampered with, the bell rings.

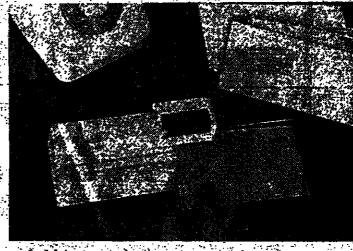
More from the company at Farncombe House Broadway. mats, magnetic sensors, and Worcs. (038681 2621)

OFFICE EQUIPMENT

A forest of fingers in UK.offices open 100m or more business letters each week, suffering broken fingernalls and paper cuts in the process. A compact battery-powered letter opener. from Teletronics could put a step to all that and make the chore much fasier and less tedious. If measures 7.6 x 3.3 x 3.3 in and weighs 1.4 lb, power being supplied from three is set in motion as the envelope

is slid along the cutting tray and a thin slice is cropped off the top edge, shutting off as soon as the trailing edge is

reached. More on 01-262 3121.



Programmable calculator

lator from Hewlett Packard, HP-41C, is described by the company as a computer." " hand-held

It has a user-definable keyboard and memory allocation, can communicate with a number of add-on devices, and has a 12 character alpha-numeric display using liquid crystal technology.

Keyboard functions can be easily changed so that a user can choose a set of functions be uses most, then position them conveniently on the keyboard; overlays are provided to re-label the keys. In this way he can have access to a total memory that retains user-of 130 pre-programmed mathe-entered data and programs matical and scientific functions while the power is off, making matical and scientific functions or a combination of these and personal routines which he can

as additional memory modules, a magnetic card reader, plotting. printer, special applications modules and an optical reader for par codes. Alpha-numeric keyboard

addressing and display ability enables users to label programs in English and benefit from word messages, error indication in calculations and programs, and reports on status of programs. Prompting messages for data input can also be built into the programs.

The machine has a continuousthem instantly available again when the machine is switched

Four input-output ports can It is dynamically controlled connect companion devices such and allows the user to select an optimum blend between a maximum of 448 bytes of program memory or 63 data storage registers. But this basic memory in the

machine can be expanded five fold by plugging in optional memory modules. The company claims that

with the comprehensive softwate support available, the system can be expanded into a system as powerful as some small computers, especially when using the alpha capability-

Available in September, the 41C will cost a basic £190.

Mere from King Street Lane, Winnersh, Berkshire RG11 5AR (Wokingham 784774).

A4 copies are produced at a

fed plain paper copier, the EP 510, a compact table-top unit which produces images troi ensures constant copy with dry toner on plain paper quality and colour depth so from sheet cassettes. Almost that a really consistent image. from sheet cassettes. Almost that a really consistent image, prototype from the any paper, regardless of colour, reproduction is not left to quickly put together allthout the can be used allowing the free-chance. The conductor drum has aid of a suddering from using dom of choice of copying on an extremely resistant finish. PowerAce, 163 recently introplain paper or company letter—which thesas longer life and, duced by Lektrokir, Sutton Inheads.

therefore, cheaper copy costs. dustrial Park—London, Road, Factor of the conductor of the conductor

allowing the user a wide variety. of finished copy sizes.

Ability to copy on to both filegons (UK). Righ Street, sides of a document goes with a Bosepton Regis, Bedfordshire nine-second warm up. (0582 605551)

e HAND TOOLS

Automatic toner density con-

EP 510 comes with two cas A departmental counter settes, both with a capacity of system enables a company to 250 sheets. One is for A4 format application enables a company to while the second allows for up, stop unauthorised use. The EP to A3 size. An additional option 510 is also atted with two counts a third cassette for A5 paper, ters one for all copies produced and the other for all A3

OP YIELDING Production Northern Illinois Farmiand located 100 miles west of Chicago, Abundant rainfall. Tracts available from 80 acres to 3,000 acres (32 hectares to 1,200 hectares). For further information write: Paul J. Miller, Rock Falls Realty, Rock Falls, Illinois 61071 USA. Tol. 815 625 6263. Swedish screwdrivers RANGE OF Swedish screw be used for additional leverage.

drivers which includes four versions with Phillips and basic types is now available Prairies heads are each available prairies heads are each available. from Light Soldering Develop able in two sizes, ments, 97 Gloucester Road, Croydon (01-689 0574).

0.5 x 3.5 mm to 0.8 x 5.5 mm. feature to this range.

Screwdrivers for slotted of a revolving holder containing screws are available with a lister two for slotted round or square blade; round strews and one for Phillips blades come in three sizes from No. 2 screws is an additional

COMPONENTS Makes quick prototypes

BOTH ANALOGUE and digital Earley, Reading RG6 1AZ

(6734 669116);
Basically a board with 1630
solderless plug-in-tie points and
on-bhard power supplies,
PowerAce 103 can hold up to 18. dual in line packages with 14 pins each. A front panel houses a 15 0 15 volt meter with terminals accessible at a tie-phin block on the panel, and a pair of logic switches complete with de bounce circuits for ease

of testing and checking

The bulken power supply
provides +5 V at 750 mA +15

V at 250 mA and -15 V at
250 mA All the voltages are
regulated with ripple and holse
below 10 mV and lead/line
regulation better than 1 per
cent

Also on the front panel are two data switches Degic "1" or "6") a pair of buffered led logic indicators and a one amp

Distribution system on the board is 16 buses pack consisting of 25 electrically connected the points so what the buses can be parched or jumpered in almost any experiments.

10 Cannon Street, EC4P 4BY

Table-top copying unit REGMA (UK) has a new sheetrate of 16 copies per minute.

Source blade is supplied in sizes. After have polypropylene 1.0 x 6.5 mm to 1.6 x 10 mm for implied with the blade securely especially difficult applications (6.55 mm blace) to give a firm. where an adjustable wrench can

New screwdriver, consisting

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iE!

Ron Emerson examines the reasons behind a major policy change by companies disenchanted with old-style diversification

Why the spotlight has switched to divestment

many corporate planters used to be diversification. Now, more often than not, they are having to spend just as much of their time grappling with the much more difficult and complex issue of divestment. They, or their... boards of directors, have recognised the uncomfortable truth could happily be carried in the acceptable. 1960s and early seventies can no longer be tolerated whether all ever the world, are new or not they are profitable. implementing similar divest-

-044 De

ing

order to concentrate on obtain-very modest economic growth. ing acceptable returns from their mainstream business in what are increasingly competitive markets.

The number of headlinehitting divestments over the last two years is legion. They e: ICI selling off its stake in IMI in order to concentrate on chemicals manufacture; Union Carbide selling its European chemical interests to BP as part of a geographical rationalisation; Reed International selling various overseas assets to reduce the gearing in its balance sheet; Dunlop closing a tyre factory as part of a rationalisation programme in the face of overcapacity in the industry, and GKN disposing of a long list of investments, by both sale and

What all of them have done is to take a careful look at their long-term future (and plans), and to redefine their business purpose on a narrower scale, financial resources severely automatically designating certain parts of the business as sation that the long term out- that action of some sort is re- an inexact science, at least clouded with too much detail changing nature of much of the irrelevant or, at best, marginally look is still at best only moder- quired. And it is a brave chief there is some accepted basis for and the distortions of time, competition.



The fact that many companies or not they are prefitable. implementing similar divest-Even where investments show ment strategies is not simply a healthy return, the strain of the result of the severe worldspeading management re wide inflation and recession sources over too broad a range which was triggered by the oil of business activities has forced crisis of 1973-and which, it some companies to cut back in now seems, is to be followed by

> The seed of these uncomfortable events was sewn during the preceding, and unprecedented, period of expansion, when companies grared themselves up-in every sense of that term—for a continuing boom. Levels of profitability had been high, so even if investments failed it was not always a major disaster; if they took longer than expected to reach planned levels of profitability, then the mainstream business would often support them through the difficult period.

> In these euphoric times com-panies often defined their business purposes in terms broad enough to allow virtually any sort of diversification, both geographically and in terms of products; this was seen as progressive management.

As a result, when the recession came, many companies achievement and a significant found their management and step forward even to recognise stretched. Now, with the reali- weak and-more important-

ately optimistic, they are being executive who recommends at rational decision making. But Some of the factors which can

This dilemma was particu- original investment. larly well illustrated in the In the majority of statement made by Alex Jarratt. the Chairman and Chief Executive of Reed International in 1977-78: ". . . the basic problem has been dealing with the aftermath of rapid, and in some instances, inadvisable, expansion largely abroad and financed largely by debt, at a time when world economies have been experiencing their deepest recession since the 1930s."

Streamlined

He went on to give some indication of the way Reed had been planning the necessary streamlining: "The Board's intention of concentrating the company's resources in those areas where we have proven skills, good markets, and an improving track record not only conditioned our approach to the use of capital but also determined the major programme of divestment we have carried

All very sound and necessary stuff, which many managements are coming to echo. though their detailed problems may differ from those which faced Reed.

In theory, most of those companies could have acted earlier. to their considerable benefit. But it is something of a major that certain business areas are

stream business and shed the cut-back or divestment as the issue and, unless a business is peripheral and marginal invest- appropriate solution, particu- regularly losing money, any

a negative and timid management which is devoid of ideas, but the end result is no more certain than for an investment, since there are no acceptable financial yardsticks.

Apart from the uncertainty involved, reaction inevitably comes from all sides, including government pressure; union/ employee opposition; and the possibility of a negative impact on the company's image in the markets (commercial and financial).

Moreover, there is always that irksome feeling that you are making things easier for your competitors, and perhaps might be better to wait and let them make the first move.

But there lies the real danger -the temptation to take a shortterm view and delay a decision: because, in all this, the most vital feature of any divestment strategy is, with the help of an effective planning system, to formulate a long term view of the company and its operating environment, and act accordingly in good time.

The most concrete problem is simply the lack of any accepted methods of demonstrating to those groups which might oppose the decision, the desirability, if not the inevitability. of such a course of action. Although investment analysis is

forced to strengthen their main- an early stage some form of divestment is often an emotive lead to a divestment of assets the real potential of Eastern during the recession; and, partilarly if he sanctioned the attempt through projected performance figures to prove that

In the majority of cases, vir- it might eventually do so is tually everyone and everything open to numerous avenues of is against the executive in attack and question; and even favour of divestment. Not only in the case of loss makers many is it often seen as the result of attempts at closure have been

So when is a divestment decision essential? The answer is: "Always when it is too late." The danger of waiting until the commercial facts are incontrovertible is that by then the company can have a major problem on its hands.

Inevitably this then involves a major diversion of manage- decline in both market and ment time and effort in order to solve the problem. This has consequent effects on the main- in market volume with prices stream business, with a proh- stabilising. The net effect may further adverse effect involving the cash resources of margins will be a good deal less the company: this, again, has than those achieved historically, implications for the long term viability of the mainstream business

Generally, the process of divestment brings with it a financial bonus of degearing. If gether with any attendant bor- make rowings will strengthen the main business. Equally, the sale of a profitable business will yield a cash sum which can

strengthen the company. But the vital part of the process is to isolate the most significant variables for success or important since, ultimately, all failure in a particular company. All too often, problem situations place. have developed over a number these days in deciding how of years and the real factors dangerous and permanent are behind the failure become competitive threats is

in a company are the following: bloc countries, for example, and cularly in the UK, an increasing Markets declining

Prices declining Technical obsolescence of products Increasing number of com-

petitors/overcapacity in the markets Mainstream business trouble.

These are not necessarily mutually exclusive; generally there will be several factors involved and some overlap.

A common factor, however, is the need for planners and the board alike, to take the long term view. A short term view, for example, might show a prices. But in the longer term the trend may be for a recovery well be that long term profit but this may be acceptable; adjustments in the business can be made to take account of this and a strong business maintained for the future.

At the end of the day the the sale is of a loss maker, the question which has to be elimination of that drain to answered is: "Will divestment the company a fitter, healthier, more business, or simply weaken it? Will this be one further step down the slippery slope, or the turning point in the company's fortunes?

> The competitive position is all One of the problems

It is very difficult to assess tyre; sluggish demand for cars Third World countries in proportion of imported cars.

general. Always there is that feeling that such competition whether such events are reprerepresents unfair trading in sentative of a trend, and therefree markets, since the factors fore permanent, or simply short that work behind their exports term aberrations. In this case, are not always purely commer- clearly the impact of radial cial. Consequently, the charge tyres is permanent; but East of dumping is a common one. European competition and

factors will not always be the import controls, but many same if politically they are people are also realising that world; their priorities are even 10 or 15 years ago. different. In those cases it is often of no value to look at the present economic climate, relative strengths and weak- where growth is uncertain and general determination of an underdeveloped country expertise and export volume.

Sluggish

A prime example of this is which is having to rationalise its tyre production in the UK. In recent years the appearance of large volumes of imported tyres into the Western European markets from Eastern bloc countries has virtually undermined the established Western producers. A U.S. producer, bonus to add to the immediate Goodrich, has just announced the closure of its European tyre business and Goodyear and Firestone experiencing major problems.

Other factors have been at work to compound the problem. such as: the effect on demand The difficulty is deciding

and it is difficult to forecast and predict this threat.

rising imports of cars might not be. There are still vociferous What competitors will do in and influential voices raised in the light of certain economic favour of protection through positioned on opposite sides of these are much more difficult the markets in the Western to implement than they were There is no question that in

nesses in terms of technical and can at best be forecast at only marketing skills, but rather the moderate levels. and where inflation is a constant threat to maintaining acceptable profit build up its manufacturing margins, it is essential that companies be leaner and fitter than they were in more buoyant times. They need to be able to react much more quickly to the increasingly rapid changes and case involving Dunlop, unforeseen circumstances which are now common. Nor should one forget the undoubted psychological boost to a company which has eliminated its problem areas. The effect on morale from having a bealthy business, rather than one which financial improvements which can come from divestment.

R. V. Emerson is an Assistant Vice-President America, dealing with some major industrial accounts. He previously worked as a corporate planner for several in-

The harsh "truth" about diversification into new ventures

cial results, and sooner. clusion of a controversial new new ventures (either internal the Harvard Business Review, longer than many managers

under the title The Risky expect to become profitable. (Profit Impact of Market Business of Diversification." The article is by the author Strategy, described on this Page Some of the study's other of the study, Mr. Raidh Bigga on July 6).

entering a new business on a perhaps not those from comentering on a large scale is fingers in the past with expenlikely to produce better finan- sive and unsuccessful diversification projects. The chief This is the most startling con- example is the conclusion that

"intuitively obvious" findings will come as a surprise dike, associate professor of small scale, is wrong. Instead, panies which have burned their Business, University of Vira sample of corporate ventures launched by some of the 200 largest U.S. companies in Fortune's annual list together U.S. research study reported in or by acquisition) take far with a sample of established businesses in the PIMS project

approach to diversification, of to many managers, though business administration at the clusion is directly in line with and characteristics, entering a new business on a perhaps not those from com- Darden Graduate School of one of the key findings of the Essentially, his Business, University of Vir-PIMS project: that market ginia. His study was based on share is a more important determinant of business success than many other factors traditionally considered important by managements on both sides of the Atlantic.

To managers trained in the market share "dogma" of the Boston Consulting Group, and others, the PIMS finding came as no great surprise. Its impact in Mr. Biggadike's study will be decidedly more disturbing to decidedly more companies, evenif they argue that the whole bias of his data and conclusions is weighted towards the experience of particularly large. often multinational companies and that it is by no means

Essentially, his argument runs as follows: New ventures need,

average, eight years before they reach profitability—far longer than many managers expect. As many as 10 or 12 years may have to elapse before the return on investment of new ventures equals that of mature relatively businesses. But large-scale entrants to new businesses covered by the study achieved not only a higher capital market share, but also "the least negative financial per-maturely.' formance." In other words, the 3-Vent be reduced if higher relative be judged successful. market shares are achieved in the early years.

ment patience. Mr. Biggadike argues. So why do so many managers seek shares with new ventures? He

suggests four explanations: 1. There may still be "a widespread lack of awareness of the relationship between profitability and (market) share.

2. Middle managers may fear that, if they ask for excessive and build the portfolio, he says, capital and launching expenses, their idea will not be approved by top management. "Haybe budgeting criteria emphasise financial results pre-

3-Venture managers plan for average eight years required to a small share because they are reach positive net income can more likely to attain it, and so 4-Executives may believe

"starting small

Mr. Biggadike's main con- all companies, regardless of size might also require less manage- an unknown, often still evolving in choosing their new ventures. market.

> previous studies, that the odds for "corporate ventures" are unattractive, Mr. Biggadike emphasises that "managers know that they have to build a balanced product portfolio." The way to improve the odds commit substantial resources to each venture, and to defer immediate financial performance in favour

market position.

Managers who are appalled by his description of the length fore of the high risks involved- (203) 661-1288. will be somewhat reassured by is his recommendation that com-

But once they have chosen a Admitting that his data indinew business, he advises, they cates, more precisely than should back it and its managers so long as they continue to build market share.

On the other hand, he suggests-highly controversially resources from a profitable venture if profits have been gained at the expense of (market) share.'

Harvard Business Review, May-June 1979, Boston, MA 02163, USA, Tel (617) 495-6185. Subscription details from Subof time peeded for a diversifi- scription Service Dept., PO Bor cation to come good-and there- 9730, Greenwich, CT 06835. Tel Premous articles in this series

appeared on June 27 and 29 and

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2 year term	9.25%	13.21%
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4 year term	10.25%	14.64%
NEW 5 YEAR TERM	10.75%	15.36%
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Business courses

Managing Construction Site Industrial Relations. Brunel University. September 10-11, Fee: £140. Details from Management Programme. Brunei University, Uxbridge, Middx.

Management Control, Durham. September 16-28. Fee: £625. Details from Durham University Business School, Mill Hill Lane, Durham City. County Durham.

Brand and Product Management. Brussels. August 27-31 Details from Management Centre Europe, avenue des Arts 4, B-1040 Brussels, Belgium.

Managing and Supervising Maintenance Work, Edinburgh, September 12-14. Fee: £165. Details from Management in Action, 121. St. James's Drive, Wandsworth Common, London SW17 7RP.

Developing Effective Policies for Managing People. London. September 18. Fee: £75 (plus VAT). Details from Seminar Co-ordinator, Human Resource Management, 83 Pail Mail, London SW1Y 5ES.

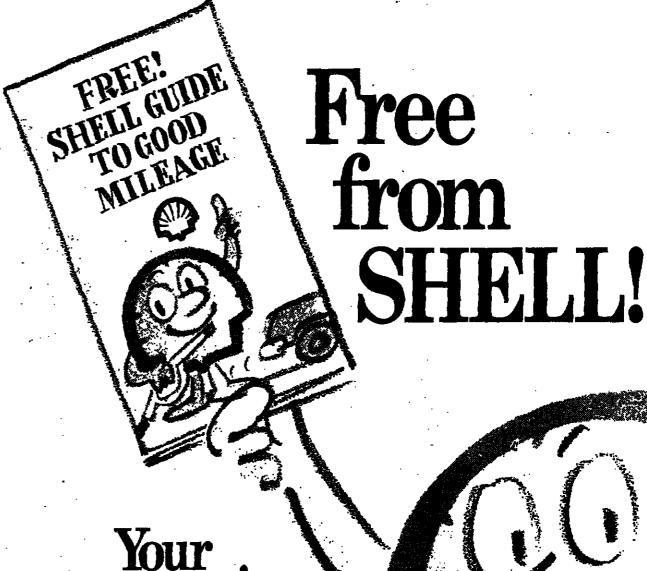
Corporate Planning in Prac-tice, Henley, Oxfordshire, September 30-October 5. Details from The Administrative Staff College, Greenlands, Henley-on Thames, Oxfordshire. Euro IFIP 79-The European

Conference on Applied Information Technology. Wembley Conference Centre. London. September 25-28. Fee: £105 (plus VAT). Details from Euro IFIP 79. Box No. 46, Cleveland Road, Uxbridge, UB8 2DD, Middlesex.

Principles and Practice of Marketing, Bradford, September 30-October 5, Fee: £260. Details from University of Bradford Management Centre, Heaton Mount, Keighley Road, Brad-ford, West Yorkshire, BD9 4JU. Microprocessor Appreciation, London. September 24. Fee: £80. Details from Course Registrar. Bleasdale Computer Sysrems, 7 Church Path, Merton Park, London SW19.

Senior Executive Course XXIV. Manchester. September 17-October 5. Details from Postexperience Course Administrator, Manchester Business School. Booth Street West, Manchester. Progressive Personnel and Industrial Relations Management, Oxford. September 23-28. Fee: £325 (plus VAT). Details from Eurotech Management Development Service. PO Box 28, Camberley, Surrey, GU16 5HR.

How to Manage Foreign Ex-change Risk, London. Septem-ber 18-19. Fee: £253. Details from Conference Manager, Institute for International Research, 70 Warren Street, London W1.



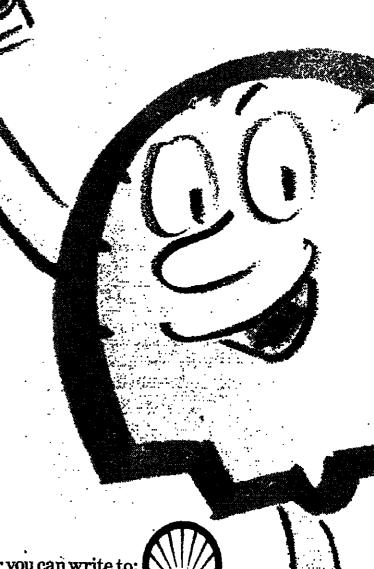
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LOMBARD

Surprised at the obvious

Exchequer was to express his If Britain had not accepted one amazement at the way that of the fundamental principles Britain's contribution to the embodied in the budgetary EEC budget is rocketing upsystem—that of "Community system—that of "Community system wards, a development he found wholly unsatisfactory." . The new Government is now pressing just as hard as its less-European-minded predecessor

to get the system changed. Unsatisfactory" the system certainly is-from the point of view of any British Government. The UK's net contribution to the EEC exchequer next year is likely to be more than £1bn—a figure that Mr. Nigel Lawson, the Financial Secretary to the Treasury, chose to describe earlier this week as "quite frankly intolerable." It is not so much the amount that causes the problem. The average British citizen's contribution to Europe is only a tiny fraction of his or her contribution to the national

Ammunition

The problem, in economic is that the EEC budget contribution is paid out across the exchanges, while the taxpayers' offerings to Westminster remain in the country. In political terms, it is that it provides such fabulous ammunition for anti-Marketeers. It is only too easy to make out the case that the hudgetary system is unfair. Not even its French advocates would deny that it transfers resources from weaker economies, notably those of Britain and Italy, to those of

their stronger partners.

But, the French would be entitled to argue (and they would be right), Sir Geoffrey has absolutely no cause for "astonishment" The working of the system was well known before Britain joined the Community, and was indeed the cause of considerable public controversy during the entry negotiations. Next year Britain is expected to be chipping in just over 20 per cent of the budget, in gross terms. During the entry negotiations figures of 25 per cent or more were being floated for the UK gross contribution around 1980. One must assume Sir Geoffrey's surprise to have been somewhat disingenuous—a ploy to put the blame for the situation on the Labour Government once "the books had been opened."

And it is not just that the teeth into? The whole Comsystem was well known. It was munity would benefit from a an essential feature of the Com- final solution to the problem, munity that the UK was seek- even if it is in the end mainly ing to join-a Community, of Britain's own fault.

preference "-it is more than likely that it would never have got in at all. It has always been an article of French faith

that member states trading with their partners should be rewarded (so as to boost French exports) and those trading with the outside world penalised. Britain's high contribution is largely caused by its high level imports from outside the Community, on which the duties and levies must be handed over Where the UK really went

wrong, if one forgets about not joining the Community at the beginning was in the famous Wilson-Callaghan tions of 1974-75. The obvious tactic for Britain was to accept the system in principle in order to get into the Community and then change it in practice from the inside. As it happened, only the first part was accomplished, and the failure of Mr. Wilson's renegotiation to make appreciable difference to British contribution has made life that much harder for his successors. The other eight countries are now heartily sick of British attempts to reopen the terms of the country's

Public spending

Two more, less easily foreseeable difficulties have now arisen. First the French will argue, as they have already begun to, that the British, with a strong exchange rate and large oil reserves, are hardly the poor men of Europe that they make out. Secondly, Mrs. Thatcher's approach to public spending would appear to have ruled out the option of reducing Britian's overall contribution by increasing the amounts of Community money spent on industrial social or regional policies from which the UK would benefit.

Mrs. Thatcher is not going to give up. She has reportedly President warned d'Estaing that she can be "a male John Silkin" if she has to be. Let us hope it never comes to that. What better issue for the new directly elected Parliament in Strasbourg to get its

place RATHLIN ISLAND BY REGINALD DALE

ONE OF Sir Geoffrey Howe's course, that Britain, by its own choice, had no hand in shaping.

Chancellor of the choice, had no hand in shaping.

> IT IS common to call Northern Kingdom of the Isles and the Ireland "a place apart." Not only is it legally separated from the rest of Ireland; it has divisions which dominate its

If this description is apt for the troubled province as a whole, it is appropriate to call Rathin Island a place farther apart: not just because it is physically separated from the Ulster mainland. To be sure, the island has a

very small community-only 85 people-but the beautiful and rugged little island is probably unique in the troubled province in that there is no sectarian bitterness and there has been no communal violence in the ten years since the clashes between Protestants and Roman Catholics began to recur.

and at its nearest point it is just over 15 miles from Scot-

inhabitants were thought to believe that Ireland was another island lying off the southern special religious and cultural coast. Rathlin passed through some particularly bloody patches. Through the centuries it was a staging post for the Vikings, Normans and Scots. In the 16th century the population was over 1,000. Wars, massacres. famine and more recenly the development of the mainland have carved the population-down to its current 85. Perhaps the island is best known for being the site of Bruce's cave.

In 1746 one Reverend John Page bought a long lease from the Earl of Antrim, who was then in financial trouble. Since Rathlin lies eight miles off then, seven generations of the the wild North Antrim coast Page family have lived, albeit not continuously, on Rathlin. Today the island, the only

It was there that Robert the

Bruce saw the spider, decided

to try again and went on to

recapture his lost kingdom of

Scotland.

land. In its earlier history it inhabited one in the province, was never quite sure whether it is very firmly part of Northern was part of Scotland or of Ire- Ireland. It has no form of self land. Historically like the glens government, not even a village of Antrim, it belonged to the council. It is run from the

mainland by the Ballycastle district council, with money for roads and other municipal services coming from this council's budget. The island is about five miles

long and three miles wide at its widest point. Virtually all the 20 families now have a car or a van. Because the roads are fairly rough and ready, the island has a fair number of worn-out and wrecked cars strewn around it. Rubbish dis-

BY STEWART DALBY

posal is a problem and there is no central electricity supply on the island. Most houses have small, eight horsepower generators. These are enough for lighting and television but there are no refrigerators. The two shops, therefore, sell a limited range of foodstuffs. Meat and other perishables are bought on the mainland. Either a mail boat or a fishing boat usually goes across every day, although in the winter the weather can be fierce and it is common for the

combines with the public kys-tory built in 1976 to provide incongruous symbols of mod-

island to be cut off for a week were fetching £150 a pound, the Catholies have been known at a time. Despite the lack of Another source of income is to go and fill out the numbers.

The fishermen, of whom there has ever been any trouble, replies are 12, working five boats, can has 10 children, both Protestais do well. They fish master that and Catholics. Northern Ireline fishing for herring and land although admittedly there mackerel. In a good week a is now only one Protestant boat could get 100 lbs of family left on the island. When lobsters from the 40 of 50 ever the Protestants have a 1 creels. Recently, the least a special service at their church, the

a central electricity supply fourism. There are no hotels but parisms the greatest from in there is a telephone link by a splendid pub, called Tony terms of the religious situation radio. The red telephone box McChaig's. It is decorated with is that the island's MF is the combines with the public large. the masts and bownames from Rev. Ian Paisley in Tony the masts and bownames from Rev. Ian Paisley in Tony the mimerous wrecks around the McCuares pub, one man nada the mimerous wrecks around the a statement which would have ernity in a wild setting.

The islanders, who for store 100 each summer weekend, as in Northern ireland to fall off reason sound more English than a mixed blessing. As one fisher his bar stool. He said: "Of Northern Irish or Scots, make man put it, "you could not be course the flev fair Paisley has their living from farming and shirts without them but we only done a statement which would have

Northern Irish or Scots, make man put it, "you could not be course the key ian Paisley has their living from farming and fining without them, but we only done a great deal for us here the island, the largest ones at the fight type." Many the island, the largest ones at the farms are some atthough there are some sheet. Sand knock over parts of dry well he that the paster of its opposition of the farms quality as hill farms. What the trippers find, apart the farms quality as hill farms. From the beautiful scenery, lots and therefore are eligible for of rabbits and 13 different a 129 per head beef subsidy is species of birds, is a community a year when prices are good at a year when prices are good at a farming which there is apparently big farmer could theoretically as religious divide. Tony make between \$5,000 and McCuaig, asked if there has \$10,000. getting our new Jeity. It may well be that the Parisley has done this because of his opposition to the Balbyrastle council. It there is pose thing Mr. Paisley is there is a hand, as much as Catholics, it is official. Undonsite the Balbyrastle council. Nevertheless, this is one good example of where Mr. Paisley has been as good as his word and deall, emphandedly with Roman Catholics.

But then Roman Catholics on

But their Roman Catholics on Rathlin have not expressed any desire to be past of a united Ireland. It would be very diffcult for them to do so.

Effects of Tote phone decision

ALTHOUGH IT has decided, after the events of last week, that all tote bets for transmission to the course are Newmarket, to be telephoned to the track before the "off" punters taking a chance with the "machine" will still, by the law of averages, receive some freak dividends. However, from my experience, those loyal to the tote as an

RACING

BY DOMINIC WIGAN

alternative form of betting, where the punter takes two gambles with each horse, will remain so; while those preferring to take a price or bet at starting price will continue with their method. Incidentally, a spokesman for tote credit made it clear to me vesterday that no one-a member of the staff or otherwise-would find a truly accurate assessment of tote odds anything but extremely difficult at any given moment leading up to the "off."

boards showing the public the number of units staked are at Newmarket, Newbury and Ascot, and those three (introduced before World War 2) are, as many have found to their cost, often labouring well behind the state of the game. The tote, so often the first in

with an ante post book on a race a fair way in the future, have, predictably, installed the Queen's Milford (? firm favourite at 4-1) for the September 15 of the St. Leger. The Royal colt is one of seven West Il-ley-trained entries for the classic so sensationally won by the Queen's Dunfermline at the expense of the otherwise unbeaten Alleged in 1977. It is followed in the batting by another Hera colt in the same ownership, the 14-1 chance. Buttress. The one-time Derly favourite from the same stable, More Light, is mother amongst the 64 entries for the class c. which carries record advail money of almost £71.000.

Although the tote have set t

7.30 The Space Movie-a film

10.30 A Question | Sec., 11.15 The Friday | Him:

12.45 am Close with George

All IBA Regions as Landon

except at the following times:-ANGLIA

ANGLIA

10.36 am Andy's rarty, 11.00
Portrait of a Village, 11.25 The Netsonal
Benzole Measter Bowler Championship,
11.50 The Woozies, 1.25 pm Andia
News, 2.00 Friday Film Matince: "The
Wer Between The Tates," 3.50 The
Sullivans, 5.15 Balley's Bird, 6.00
About Anglis, 10.30 Probe, 11.00
Friday Laté Film: "The Champagne
Murders," 12.45 am Men Who Matter,
ATTV

ATV

10.30 am Captain Nemo and the Underwater City. 10.35 basame Street. 11.35 Bailey's Bird. 1.20 pm ATV Newadesk. 2.00 Movia matunes: "Up The Down Staucase." 5.15 Maxin' ft. 6.00 ATV Today. 11.30 Mays naruman, Mary Hartman. 11.00 Movie Pramiere: "A Sensitive Passionate Man."

BORDER

CHANNEL

Wonder. 6.00 Report at Six. 6.35 Invasion Road. 10.28 Channel Late News. 10.35 Chimley Corner. 10.55 Late Night Movie: "The Man Who Had Power Over Women."

GRAMPIAN

GRANADA

The Grane"

Baker.

which relabrates the 10th

"Dracula Rus Rists Trom

Christopher Loo.

'f man's

anniversage of manilations on the moon.

hold example to the four gian:

7.00 The Kryptan/Factor.

9.00 Kids.

10.00 News.

(as is sometimes the case else where) their ante post odds, the organisation's continued policy of not betting on an event spon-sored by a rival seems childish and petty, to say the least. British trainers cast their

pared to lay rather than quote

For the only mechanized tote multiples of late in being pre-

nets far and wide this weekend with challenges being sent to five countries. Senorita Poquito and stablemate Rheinsparkle are among the runners for Saturday's Irish Guinness Oaks. while on Sunday our overseas raiders take in Holland, Germany, Belgium and France. On the home front, I expect Rivadon, who ran really well for a long way to win a 300 to 1 chance in the Irish Sweeps Derby, to lift today's Aldbourne Stakes at Newbury.

NEWBURY

2.00-Rivadon*** 2.30-Rentine 0.00-Onav Line

30-Prince of Sheba 4.98-Severeign Rose** 4.30-15 cithi*

hadding. 1.25 Report Wales Heed-in 15. 2.00 "Sciome." starring Rita-triver and Stewart Granger. 3.50 The Scillwars. 5.15 Gambit. 6.00 Report Wart. 6.15 Report Wales. 6.30 Get Same In. 10.35 The Leta Film: "If

SCOTTISE

SOUTHERN

TYNE TEES

ULSTER

ULNIER

10.30 am Andy's Party. 11.00 Portrait
of a Village. 11.25 The National Benzole
Master Bowler Championship. 11.50
The Wozzies. 1.20 pm Lunchtime. 2.00
Friday Mabnes: "Marco." 3.50 The
Sullivams. 4.13 Ulater News-Headlines.
6.15 Gambit. 6.00 Ulster Television
News. 6.30 The Practice. 10.30 Friday
Night. 10.40 Friday Film: Marlows."

WESTWARD

YORKSHIRE

YURKSHIKE

10.30 am Moby Dick and Mighty
Mightor. 10.46 Kids at Play. 11.10
Three for the Road. 1.20 pm Calendar
News. 2.00 Friday Film Matinee:
"Crooks And Coronets." 3.50 The
Sullivans. 5.16 The Beat Disco in
Town. 6.00 Celendar (Embry Moor and
Belmont editions). 6.35 Colendar
Summer Sport. 10.30 Soap. 11.00
"The Beast in The Celler."

8.30 News Headlines; 7.45 Thought for

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DAVID BURKE ANGELA DOWN.

BY LAWE ANGELA DOWN.

"THE MPACT HIT ME LINE A THUNDERBOLT FROM JOVE. THE LANGUACE RLAZES WITH WIT AND INTELLIGENCE AND ITS THEME ELANGUACE RLAZES WITH WIT AND INTELLIGENCE AND ITS THEME ELANGUACE RADE ITS THEME ELANGUACE RADE ITS THEME OF THE FORTH OF THE COLORS AND LAYERS OF ITS LANGUACE BODIES STILL RAISES ECHO OLORS AND LAYERS OF ITS LANGUACE. SOLDES STILL RAISES ECHO ASTER ECHO IN GUR MINDS AND HEAVER. DINSDALE LANDEN'S PERFORMANCE IS. WORTH COING MILES THE BEST WORTH COING MILES THE BEST FREGORMANCE IN A MODERN FLAY NOW TO BE SEEN IN A WORTH COING MILES AND THE AUTHORS OF "BOEING BOEING." IT WILL PROBABLY RUN AND RUN."

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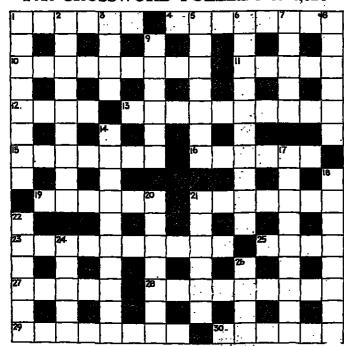
† Indicates programme in black and white

BBC 1

6.40-7.55 am Open University (Ultra high frequency only). 10.55 Golf: The Open. 1.30 pm How Do You Do?. 1.45 Nex 2.15 Golf: The Open. 4.18 Regional News for England (except London). 4.20 Play School (as BBC 2 11.00 am). 4.45 Agaton Sax and the Feast at Byköping. 5.10 We're Going Places. 5.35 Captain Pugwash.

5.40 News.

F.T. CROSSWORD PUZZLE No. 4,026



1 Captain whose beard is traveller's joy (3, 3) 4 Prepare to ride to col at top

apartment rent (4, 5) 11 Anything should sound like

12 King sick of stream (4)

21 Bag tout repaired in marine

on capital (10) 25 Accomplished by a secondgrade article in France (4)

28 Go over peer leading revolu-29 Wonderful period (4, 4)

Scotland-9.45 am Magic

Roundabout. 9.50 Jackanery. 10.05 Pixie and Dixie. 10.10 The Boy from 5B. 10.35-10.55 Take Hart 5.55-6.20 pm Reporting Scotland. 10.45 Grimble on Genius. 11.15-11.20 Regional and 7.45 Project Apollo.

9.00 News.

9.25 Royal International Horse Show.

10.45 Spike Milligan in Q7 (London and South-East only)

10.45 Project Apollo.

11.15-11.20 Regional and National News.

Wales—1.30-1.45 pm Bys a Bawd. 5.55-6.20 Wales Today.
6.55 Heddiw. 7.20-7.45 Ask the Family 10.45 The Welsh Sheikhs and Saudi Arabia. 11.15-11.20 Regional National Nation

North-East (Newcastle) The Houses of the Sun; North-West (Manchester) Champion Brass: South (Southampton) Personal

Choice: South-West (Plymouth) Peninsula: West (Bristol) Wine Fair Jazz. BBC 2

6.40-7.55 am Open University. 11.00 Play School. 4.20 pm Golf; The Open.

(simultaneous with Radio 3 stereo). 9.20 All Creatures Great and Small

10.25 Project Apollo. 11.15 Late News. 11.30 Golf; The Open (high-

starring Gary Cooper and Ingrid Bergman. 4.20 Midnight is a Place. 4.50 Paul. 5.15 The Brady

5.45 News. 6.00 Thames at 6. 6.30 Get Some In!

RADIO 2

RADIO 3

RADIO 2

5.00 am News Summary. 5.03 Tony
Brandon (S). 7.32 Terry Wogan (S).
10.05 Jimpy Young (S). 12.15 pm
Waygoners' Welk. 12.30 Derak Hobson's' Open House (S). 2.15 David
Hamitton (S). 4.03 John Dunn's Open
Special (S), including 5.05 Weggoners'
V/alk. 7.02 Marks in His Diary (S).
7.30 Sports Desk. 7.33 Fiests de
Dorita (S). 8.02 Johnny Arthey conducts the BBC Radio Orchestra (S).
8.45 Friday Night Is Music Night (S).
9.55 Sports Desk. 10.02 Take Your
Partners is the Radio 2 Ballroam. 11.02
Sports Desk. 11.06 Brian Matthew with
Round Midnight, including 12.00 News.
2.02-5.00 em You and the Night and
the Music with Tim Gudgin (S).

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RESERVATIONS 01-535 SIGNATURE SERVATIONS 01-535 SIGNATURE SERVATIONS 01-535 SIGNATURE SERVATIONS DE FERRITARISMENT DE SERVATION DE FERRITARISMENT DE SERVATION DE FERRITARISMENT DE SERVATION DE SERVATI Her Royal Highness Princess publicance.
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Monday Nect—One Week Obje.

Page 7-30. Repertoire includes At the
Crossroads Inn. The imperial Concusting
gers Orenic, Harding the Hopes. The
Autumn River. Phoenic of Fire, The
Yandam Mountains Women Gitterfills
of the Yang Family.

ADLER'S WELLS THEATHE Rosebby Ave. ECL 237 1572, Line Two Peris BALLET RAMBERT EVS. 7.30 Crost Garden, From Aug. 7: DANCE THEATRE OF HARLEM.

THEATRES

"MIRACULOUS MUSICAL"
Financial Times.
With ROY DOTRICE
With ROY DOTRICE
GILLIAN BURNS, MARGARET BURTON
Party rates and student stand-by evail.
ALDWYCH. CC. 836 6404, Inf. 836 5332.
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In reportality

He Hellers, Let Him Go."

HTV Cymre (Wales—As HTV General Service control 1.20-1.25 pm Penewdeu Vac Him V Dente 4.15-4.65 Merciled Pogis Charas 5.00-6.15 Y Dente 1.0.25 Charas 11.05 Outlook, 11.20-12.40 am The Late Film "Della V Merciled Water Control Service Excent 1.25-1.30 pm Report Most Hoodings 6.15-6.30 Renort Water Conflict Tax Ex Mikhaif Bulgskor's THE WHITE GUARD
Exciting, warm-healted ... enchangingly
tender." D. Twi. With: John O'Keeftes
WILD GASS (rext per? 23 July). ANTONY
AND CLEOPATRA (sold out until 25 July).
RSC also at THE WAREHOUSE (see
under W).

10.50 cm - may a rany. 11.00 Fortrait of a straige, 11.25 The National Benzole Mactin Bowler Chempionships. 11.50 The viocaes. 1.25 pm News. 2.00 Finday Mattheet. "Love is A Many Spientored Tung. 3.50 The Sullivans. 5.15 Garmat. 8.00 Sectiand Today—Straine. Extr. 5.30 Wer's Way. 10.28 Sectians News readilines. 10.30 Ways and Meens. 11.00 Late Cell. 11.05 Appointment With Feat. SOUTHERN

10.35 am Andy's Party. 11.00 Portrait
of a Village. 11.25 National Benzols
Ansuer bowier Championships. 11.50
Ine Woozies. 12.0 pm Southern News.
2.00 Friday Matines: "River Of
Mystery." 3.50 The Sullivans. 5.15
Happy Days. 5.00 Day By Day. 6.00
South-East (South-East area
only, 6.30 What's On Next? 10.30
Weskend. 10.35 Opinions Unlimited,
11.05 Southern News Extra. 11.15 Sosp.
11.46 The Late Film: "The Nenny."

S:25 an Li Quid voir. On Italian Control of the Manual Control of

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741.0R. THES. 20 Sat. 830. Sen. 6,30.

CAMBRIDGE. 01-836 6055. Also down. WESTWARD

10.36 am Andy's Party. 11.00 Portrait
of a Village. 11.25 National Benzole
Mester Sowier Championships. 11.50.
The Woozies. 12.27 pm Gus Honeybun's Birthdays. 1.20 Westward News.
Headlines. 2.00 The Friday Matineo:
"Summer Madness." 3.50 The Sullivans. 5.16 Dynomutt the Dog Wonder.
6.00 Westward Diary. 6.35 Time Out.
10.32 Westward Late News. 10.36
Chimley Corner. 10.55 Late Night
Movie: "The Men Who Had Power
Over Woman." 12.30 am Faith For Life.

CHICHESTER FESTIVAL THEATRE, 0243 781312. Souson appropried by Martini & Rossi The Indrontance of Sting EARNEST Today 7.00. Tomar. 2.00 THE MAGUE HAS TWO HEADS, TORSON THE MAGUE HAS TWO HEADS, TORSON

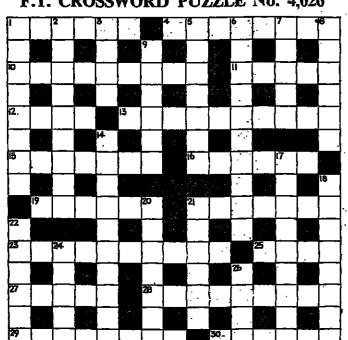
CRITERION, From 6.30 mm incl. Sun. 930 3216. CC hookings 836 1071. Mon.Thors. 8. Ft. 8. Sec. 5.30 8. 8.30 iAN McKELLAN, TOM 8561. TWO FINER PERFORMANCES IN LONDON."

DUCHESS, 01-836 8243, Mon. to There. Evs. 8.00. Fri. and Sat. 5.30 and 8.15. OH! CALCUTTA!

FORTUNE 236 2238. EVEL 2.00. Main. Thurs. 3.00. Secondary 5.00 and 8.00. AGASTHA CHRISTIE'S AUGUSTA MURDUR AT THE VICARAGE FOURTH GREAT YEAR.

MAYFAIR OF SELECT COURT OF THE PARTY OF THE

PEN SPACE 387 6969, Taes to Sens 8 orn, David Marron's A LIFE IN THE THEATRE- with Freddle, Jones A Patrick



ACROSS

of mountain (6, 2)

10 Without money to meet

stimulus to action (6)
14 Peer objected to having similar views (4, 6) 13 College on form in court (5; 17 Club sure to be rugged (4-5) 18 Present person when bid is made (8) 15 Trace garment one returned

for example (?)

16 Artist is at home, old fruit 20 Member joins friend without breaking the law (7)
21 Otto confused with love ring 19 Toughen girl with a pound is simply exquisite (3-3) 22 A funeral party over pole

24 Polish female Cockney layer tower (3, 4)
23 Laundry not getting return 26 Gaelic sounds from Somerset

27 Want to hear of massage (5) 30 Possible goal scorer is a brick (6)

6 . . . to keep protector from

7 The Spanish drink in Scot-

8 Irregular plot before end of

July (6)
9 Vehicle test I have used as

can be stirring (6)

Solution to Puzzle No. 4,025

FORLIGH ACCRUE

ORULOQ RIPOSTE DEVIOUS

attraction of game (10)

land (5)

(London and South-East only).

11.15 Regional, National News.

11.20 The Late Film: "Love Me Or -Leave Me," starring James Cagney.

All Regions as BBC 1 except at the following times:—
Scotland—9.45 am Magic

South-East and Saudi Arabia. 11.15-11.20 Regional News. 5.55-6.20 pm Look East (Norwich): Look North (Loeds Manchester Newseastle):

7.20 Mid-evening News. 7.30 First Night of the Proms

lights). LONDON-

RADIO 1 (S) Stereophonic broadcast

† Medium Wave

5.00 am As Radio 2. 6.00 Andy
Peables. 9.00 Simon Bates. 11.00
Radio 1 Roadshow. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.00 Peter
Powell. 4.31 Kid Jensen. 6.31 Roundtable. 8.00 Mike Read, 9.50 Newsbest,
10.00 The Friday Rock Show (S). 12.005.00 am As Radio 2.

DADIO 2

10.25 Recital, part 2. 10.55 Josquin Des Pres concert (\$), 11.45 BBC Northern Symphony Orchestro (\$1. 1.00 pm News. 1.05 Playbill (\$), 1.20 Composer's Portrait (\$), 2.35 Plano Recital (\$), 3.35 The Glazunov Symphonies (\$), 4.25 Comparing Notes (\$), 5.25 Homeward Bound (\$), 15.45 News. 15.50 Homeward Bound (\$), 15.45 News. 15.50 Homeward Bound (\$), 7.30 First Night of the Prome from the Boyal Albert Hell (simultaneous with BBC 2 television): Mahler (\$), 9.20 Viola and Pieno recital (\$), 10.00 Mind, Matter and Mechanism. 10.45 Music in Our Time (\$), 11.55-12.00 News. Time (S). 11.55-12.00 News. RADIO 4

8.30 News Headlines: 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 8.59 Continental Travel information. 9.00 News. 9.05 Baker's Dozen (S). 10.00 News. 10.05 Baker's Dozen (S). 10.00 News. 10.05 From Our Own Correspondent. 10.30 Daily Service. 10.45 Morning Story: 11.00 Down Your Way. 11.40 Announcements. 11.45 Listen With Mother. 12.00 News. 12.07 The Enchanting World of Hinge and Bracket (S). 12.55 Westher; programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 4.05 Grandma Shouldn't West T-Shirts. 4.05 Story Time. 5.00 PM: News magazine. 5.50 Shipping Forecast. 5.55 Westher: programme news. 6.00 News. 6.30 Going Plates. 7.00 News. 6.30 Going Plates. 7.05 The Archers. 7.25 Pick of the Weok (S). 8.10 Profile. 8.30 Any Questions? 9.15 Latter from America. 9.30 Kaleidoscope. 9.59 Wasther. 10.00 The World Tonight. 10.30 Week Ending (S). 10.55 Sounding Off. 11.00 A 800k at Bedtime. 11.15 The Financial World Tonight. 11.30 Todgy. in Parliament. 11.45 Just Before Midnight (S). 12.00 News. 8.00 am News Briefing. 6.10 Farming (5). 10.55
Today. 6.25 Shipping Forecast. 6.30
World Tonial Today, including 6.45 Prayer for the Day: 7.00, 3.00 Today's News; 7.30, 12.00 News.

From Mon. Spoot Gasto

VAUDEVILE CC. SSS Steel

Egg. 3. Mar. West. 2.45. Sac. 5 and 8.30

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Tickets 53.25. 54.25. 55.25.

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(Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South-West (Plymouth), 10.45-11.15 East (Norwich) The Nene Valley: Midlands (Birmingham)
Tell Me Jasper Carrott;
North (Leeds) Imago Mundi;

> T1.00 am Forster of a village. 11.25
> The National Benzole Master Bowler
> Chempionship. 11.30 inc Woozies.
> 1.20 pm Border News. 2.00 Matines:
> "It's Good to be Alive." 3.50 The
> Sullivans. 5.75 Garnock Way. 6.00.
> Lookaround Friday. 6.30 Mind Your
> Language. 10.30 Your MP. 11.00 Late
> Film: "The Rovenge Of Frankenstein." 1.20 pm Channol Lunchtima News and What's On Where 2.00 The Friday Matneo: "Summer Medness," 3.50 The Sullivans. 5.15 Dynomutt the Dog Wondor. 6.00 Report at Six. 5.35 Invasion Road. 10.28 Channel Late

10.10 Kilvert's Diary.

GRAMPIAN

9.25 am First Thing. 10.35 Technoflesh. 11.00 Portrat of a Village. 11.25
The National Benzole Bowls Championship. 11.50 The Woozies. 1.20 pm
Grampian News Headlines. 2.00 Friday
Matines: "This 1s The West That
Was." 3.20 Samething Special. 5.15
Survival 6.00 Grampian Today. 6.10
The Beachcombers. 6.30 Get Some In.
10.30 Reflections. 10.35 About Tum.
11.05 The Friday Late Night Hoffort.
"Dance Of The Vampires." 12.35 am
Grampian Late Night Headlines.

GRANADA 9.30 am A Place to Live. 9.45 Au Travail! 10.05 About Britain. 10.30 Arms and Armour. 10.40 The Bubblies. 10.45 The Nature of Things. 11.35 Spiderman. 12.60 A Handful of Songs. 12.10 pm Rainbow. 12.30 Emmerdale Farm. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Divorce and After. 2.00 Friday Matinee:

GRANADA

10.30 am Sesame Street. 11.26 The
Funky Phantom. 11.45 Song Book.
1.20 pm Cartoon. 12.00 Friday Malines:
"Lucky Jim." 3.50 The Sullivans. 5.15.
The Roll Harris Show. 6.00 Granada
Reports. 6.30 The Jetsons. 10.30
Clapperboard North-West. 111.00 Hitchcock: "The Lady Vonishes."

HTTV HTV 10.35 am Andy's Party, 11.00 Portrait of a Village, 11.25 The National Benzole Muster Bowls Championship, 11.50 The Woozies, 1.20 pm Report West

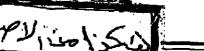
#5.55 am Weather. 7.00 News. 7.05 Overture. part 1 (S). 8.00 News. 8.05 Overture. part 2 (S). 8.00 News. 9.05 Phils Week's Composer: The Wesleys (S). 9.35 Cardiff University Recital, part 1 (S). 10.20 Interval Reading. 10.25 Recital, part 2. 10.55 Josquin Des Pres concert (S). 11.45 BBC Northern Symphony Contests

BURELTHU AND CHICAL DA

SWABFSA STANDABOUT TOLD ISU EI I S U E I PLEAT GETFRESH A E H É E CCREDUT SEMER R E O T A DOWN I Lords shot on leaving approach to House (3, 5) 2 Wrong one of seven (6, 3) 3 Vestment one finds in French cathedral (4) 5 He gets his own back in Geneva rioting over the

Acan pla

endonie



Covent Garden

Hippolyte et Aricie

by RONALD CRICHTON

One of the English Bath dancers performing the period Phedre was especially moving Festival's endearing and eccen movements patiently recreated in her splendid final scene tric habits is to produce an by Belinda Quirey and Michael Others who earned special menepilogue, weeks after the main Holmes were more vigorous on tion were Michael Goldthorpe business is safely delivered, the whole than before but in (as the monster Tisiphone and business is safely delivered. This year, at last, if was a single have been most telling at the performance at Covent Garden of Rameau's opera, Hippolyte et Aricie. But there was a difference—on Wednesday Sir Charles Mackerras conducted lated one. the EBF Baroque Orchestra and Chorus and an all-British cast. The performance was much more firmly controlled, more unified than last year's Anglo-

French mixture. It was not all gain. French text, when audible, was too meekly mouthed by and the music took charge but large the English soloists sang apparently defeated by baroque more but declaimed less, and French baroque opera depends enormously on correct declama- an appealing young soprano. tion. One missed the liquid line. The "dark" couple were Neil of Anne-Marie Rodde and the Howlett, a sympathetic baritone flery, witty movements of clearly appreciating the splen-Beatrice Cramoix. But some did music Rameau gives to knowledgeable but somehow the talent for working harmoniously and common-sensically together (still evident in our musical life if not elsewhere) leads to more

Michael Holmes produced, using as last year the wings of Jurgen Rose's ballroom set for Ballo in maschera and the EBF's splendid costumes based on Boquet designs from the Biblio-theque Nationale in Paris. Well and good as far as they go. One can't complain of simple, makeshift methods for a single performance, but this solution gives a purely static effect to an essentially mobile artiform—no transformations, no descents from above or disappearances below, everybody in lines or circles on one gently sloping level (what a rotten theatre dear, beautiful, beloved Covent Garden really is, not only for presenting ballet, but opera). They might at least have changed the colour of the cyclorama, a friendly, immutable picture-postcard blue, absurdly unsuited to scenes like the underworld or the mourning for the supposed death of Hippoly-

This year the chorus were all in the stalls circle, as for Daphnis and Chloc, though a few of the dancers were singing-or at least opening their mouths. This was better than the dotty division last time with girls on stage and boys in the orchestra pit: if they got out of time, they all did so—but not for long with Sir Charles as shepherd. The

A Life in the Theatre

by MICHAEL COVENEY

It is all raiber like Terence faster, this could emerge as a Rattigan's Hartequinede, with a very funny comedy.

Open Space

Northampton Rep.

and Pirandello. Downstage we

have two make-up tables and racks of costumes. Upstage is

a proscenium arch where a succession of revue style suip-

pets of awful drama are enacted

by Robert and John and reflected back at us on a large

mirror. A mute stage manager

ferries the thespians back and

forth, making such classic stage

his moustache, reveals that his lady is pregnant by the senior.

effective just where they should extremities. Perhaps the tsouble was that steps intended for a small, crowded stage were being shown on a large, sparsely popu-

It is a fault in the Abbe Pellegrin's libretto Hippolytus and Aricia are less interesting than Theseus and Phaedra. The title roles were sung on Wednesday by Ian Caley (as last year) and Lynda Russell, who was moving when style gestures and by French consonants—nevertheless she is

the first of the Three Fates, whose bizarre trio made a stronger effect this time), Roderick Kennedy, Marie Angel, Sally Bradshaw and Caroline

On paper this repeat may have seemed an egregious exercise. In effect it was a welcome opportunity for closer acquaintance with a masterpiece that may at first appear formidably remote. Not true-the declamatory recitatives slipping in and out of the briefest airs and ariosos, the choruses encapsulating Bachian breadth and power in less than Bachian span, all add up to music-drama of high if at first strange quality. No body, surely, could underrate the appeal of the dances, so varied, so elegant yet earthy, so inventively scored. But it thing about Rameau's genius Theseus but voicing it less was Rameau the musical drama-seems to confuse French musi-incisively than Ian Caddy did tist who came out strongest in cal sensibilities as easily as last year, and (another veteran Mackerras's reading, above all Berlioz does we in Britain from the former cast) the excel-aren't more naturally gifted or lent Carolyn Watkinson, whose close of act four.



Warehouse

Hippolytus

by B. A. YOUNG

David Mamet is one of the backstage scenes are not capable gifted new American playwrights enlivening off-Broadway these days. In this surprising play, less linguistically interesting and compact than some of his others, he pays his dues to youngster on his way. But even his chosen profession. A sad, include aged actor, Robert, and a blood young hopeful John the memory of the frantic panic that invades the dressing room David Rudkin's glowing ver- Nurse and Patrick Stewart the sion of Euripedes does not go King. The chorus and the mesless glowing version, one I and Diana Berryman. know). It leaves out the references to people and places that a blond young hopeful, John, that invades the dressing room share a dressing room. In New when a zip gets stuck, or the York, I lmagine, we would have sight of Mr. Ryecart desperately pedals a little on the supernatural.

been backstage in summer stock. trying to fix a recalcitrant At the Open Space, in Alan window in Tyrolean climbing the supernatural is one of its over two nours, and there is no Pearlman's convincingly Anglicised production, we could be jostles for attention in a wig snooping on, say, the Crewe or and a wheelchair. halimarks. Aphrodite and Arte-interval. Potential audiences mis, both excellently spoken by are warned that despite the Juliet Stevenson, are not so basic similarity of the plot, much goddesses, despite their much less happens in Euripides corporeal appearance, as opposing sides of human nature, the one urging man on to sex the other to wisdom. Theseus (called here only "the King") has no "three prayers" to call on; he represents the tradi-tional prejudices of older generations, and his reaction to the lying tale that Hippolytus has seduced Phaedra is no more than to exile him. Th ebull from the sea is a kind of bonus.

The verse, which is in the language of our own time, falls due to open in the West End chiefly into free pentameters, in mid-September, Also starring and is most beautifully spoken by the company with a hint of backing music that I could have done without Michael Pennington is a noble Hippolytus, Robert Holman, Glen Park and Natasha Parry a truly seductive Phaedra Valerie Lush the

far from the original (or any- senger are handled by two way from Gilbert Murray's far players, Geoffrey Freshwater

Action is reduced to the necessary minimum. would probably be unfamiliar players wear white clothes of to modern audiences, and it soft- no special significance, and play on a square stone slab before a rough board with a dash of Indeed the rationalisation of whitewash. The play takes just than in Racine's Phedre. This doesn't mean, at any rate in this production, that it is any less exciting.

Hywel Bennett to star in new Anthony Shaffer play

Hywel Bennett is to star in comedy thriller by new Anthony Shaffer, The Case of the Oily Levantine" which is will be Adrienne Posta, Bernard Archard, William Squire, Wolfe Morris and Anna Quayle.

The play will have a pre-London tour, opening on Monday, August 6 at the Theatre Royal, Richmond.

And then the Second Piano

The sketches themselves are approved theatre writing burnilarious, especially the one for saries for Michael Hastines junior, after wickedly removing his moustage. Wigmore Hall

socks while Mr. Jones furiously

I suspect that, played less portentously and a good deal

Arts Council

bursaries

approved five bursaries to

dancers to enable them to have

time to create new programmes.

The bursaries of between £370

and £600 have been awarded to

The Aris Council

Frank Bridge by NICHOLAS KENYON

A chastening invigorating plane the two sonatas and the it with complete command, re-evening at the Wigmore Hall two plane tries. And for once splendently rich in tone. Chastening to discover how little one knows of one of the major creative forces in 20thcentury English music, invigorating to find that the music of Frank Bridge can speak with power and conviction to a new generation.

with an English composer, the impression was not of failing promise, talent dissipated by an infirm sense of purpose: the music grew in stature from the thapsodic early to the fiercely original late works.

Of the 1907 Phantasic piano trio, it was possible to have doubts bold ideas strung together without any real sense of direction, reaching for but never quite achieving coherence. For the lovely, warm Cello Sonata of 1913-17, there could be nothing but affection, even in a disappointing performance by Amaryllis Fleming. But it took the Violin Sonata of 1932 to electrify us with Bridge's clarity of thought: in this onetering Scherzo and incisive Finale, we heard pre-echoes of much that has been best and

most vital in post-war English

music. Manoug Parikian played

Trio of 1929: overlooked at the time, presumably, by listeners to the latest Bax or Howells miniatures, this experimental vet sure-footed work may yet find that its time has come. Its crystal-clear, eerily shifting treble-register writing for piano was captured with a precise sense of atmosphere by Bernard Roberts; in the middle of the first movement, as sequential chords twist and turn towards keys and as quickly away, seconds piled up, there suddenly seemed to be an audible link between the soundworlds of early Schoenberg and late Britten. Astonishing that the ethereal scherzo and dancing finale should be so utterly movement condensation of a original in sound and content: violent. vicious Allegro, a strange that such a work should ghostly, shifting Andante, scut- not have been played and played again over 50 years. The Parikian-Fleming-Roberts trio served it magnificently: let this not be an isolated hearing of their performance.

Cinema

Hair today is gone tomorrow

by NIGEL ANDREWS

Dominion Hair (AA) Allegro Non Troppo (A) Arabian Adventure (U)
Warner West End

The Spaceman and King Arthur (U) Porridge (A)

Classic Oxford Street Hair is a tribute to yesterday's that when it comes to tackling day, Hollywood nearly always gets there too late and finds its theme buried under a snowfall of <u>nostalgia</u>.

The stage musical by Ragni, Rado and MacDermot appeared in the 1960s and was to the hippy generation what The Blue Light was to the Third Reich: a testament-cum-celebration while the bloom was still on its disciples' cheeks and before history had marched through, trampling its more perishable pretensions underfoot. Haight Ashbury had, of course, a lot more going for it than Nazi Germany—indeed it was probably the most convincing popular antidote to that epoch that the post-war era has thrown up and it still has some healthy things to say to us today.

But its besetting weakness was its naivety. Flowers do not have power, and making love is neither an antonym nor an antidote to making war. But Hoir put the strongest case for the Peace-and-Lover generation at the time, and Galt MacDermot's music is far busier, brighter and more evangelistic than the passivity of the creed it supports. Hair was no Lie-Down-and-Think-of-Timothy-Leary show, it was a musical that jumped up and battered you pleasantly around the ears with its euphoria. Milos Forman's movie version

alas, embraces the worst of both worlds. It immortalises the naivety of the hippy ideology and it turns the euphoria into a 70's-style razzamatazz that is jarringly inappropriate.

John Savage, trailing clouds of brutalised innocence from his role in The Deer Hunter, plays another Vietnam conscript, this time waylaid on his last 48 bours in New York (before joining the army) by a group of Central Park hippies who want him to tear up his draft-card and join their Drop-Out Crusade. One knows the film is going wrong from the moment in the first big production number set in the park—"Aquarius" when Forman slips in a couple

of dancing police horses. And it goes steadily more wrong as it chronicles Savage's adventures with his adoptive hippy clan-led by Treat Williams, his Captain Marve) profile here framed by shoulder-length hair or (U) —and shows (a) how Our Odeon St Martin's Lane Heroes embarrass the Rich by gatecrashing a party, dancing on the table and stealing the family car, and (b) how they embarrass the army by stealing Now Generation: and a reminder into a Nevada training camp (where Savage is posted) and major cultural movements of our smuggling him out for an afternoon's illicit furlough,

It's a film that abounds in energy and movement and has absolutely no sense of where it is going. Its backward glances at Vietnam era are the consummation of Hollywood hind-sight. The Vietnam war is a chapter of American history already curling at the edges, and to aim potshots at it in 1979 takes as much courage and drugged tortoise.

Forman approaches the staging of the songs in a spirit of Every - Which - Way - But -Consistent: sometimes it's a voice-over while the narrative action continues, at others its yowling mouths and high-kicking limbs in Central The actors have a Park. lot of vitality and conviction and they need it, If they didn't look as if they believed in what was happening, the film's last lifeline to credibility would snap in two.

Allegro Non Troppo, an Italian animated feature with a sprinkling of live action, is a cheerfully rude riposte Disney's Fantasia. The film is three years old but looks a good deal younger and more modern than Hair. Like Fantasia it uses a series of classical music pieces as a springboard into cartoon fantasy: returning after each sortie to live-action scenes of the musicians rehearsing. These Fellini-esque interludes, featuring a plump conductor and an all - female, all - elderly orchestra, have a deadpan-slapstick beautifully in counterpoint to the poetic hyperboles of the cartoons. The latter range from the Creation of Life out of a Coca-Cola bottle (set to the slinky strains of Ravel's Bolero) to the adventures of a randy



the local nymphs is accompanied by Debussy's L'Après-

Can the British cinema, when it's tackling fantasy subjects, please just once get the mixture right? The recent remake of The Thief of Baghdad had sprightly performances and a story with built-in, time-tested appeal, but its special effects were bargain-basement. new Arabian Adventure has the mixture in reverse: rejoicing in swish and streamlined effects you'll believe a carpet can flybut handicapped by the most woebegone story and performances imaginable.

The first is a dim crib on The Thief of Baghdad, set in the Near Orient and involving rival power-giving "Rose of Elil." The second include a glum, inexpres-

satyr whose mixed success with sive hero (Oliver Tobias, not-sofresh from his exertions in The Stud), a comic-relief villain who doesn't raise a smile (Milo O'Shea), and Christopher Lee lending his sepulchral monotone to the role of a Caliph with a londness for smoke-wreathed levitation.

The director-producer team of Kevin Connor and John Dark series' stalwarts. Dick Clement have made earlier sorties into and Ian La Frenais, and directed the terra infirma of myth and fantasy, exhibiting a similar weaknesss for peopling snazzy, surprise-packed surroundings with dull characters. The visual pluses in Arabian Adventure ground laughter, there is a are so strong-a vivid tornado near the beginning, an aerial dog-fight with flying carpets at the end—that someone should whisper gently in their ears the attempts to find and capture the advice that they revolutionise their easting system and hire

Just to show that Hollywood can get it wrong as well, The Spaceman and King Arthur is a dose of Disney magic strong on trompe l'oeil visual effects and trompe l'oreille dialogue-NASA meeting Camelot in a fetching clash of argots—but weak on wit and story impetus. The story is "inspired" by Mark Twain's Connecticut Yankee in King Arthur's Court, with the difference that the Yankee featured here—and played by Dennis Dugan—comes from Cape Kennedy and arrives in 6th-century Britain after his spaceship has taken an Einsteinian backward leap through Time.

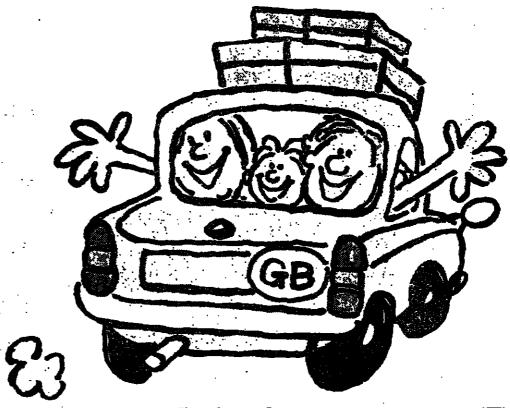
The welcoming party includes Kenneth More as a breezy King Arthur, Ron Moody as a dour Merlin, Jim Dale as the evil Sir Mordred and John Le Mesurier bringing bis distrait twitch to the role of a somewhat well-advanced Sir Gawaine. The film fuels itself for as long as it can on Comedy-of-Anachronism, and then switches to visual slapstick at the finale with a pitched battle between Arthur's knights, aided by the spaceman who rains havoc from airborne, rocket-fuelled ejector seat, and Mordred's

The film tries fearfully hard to please, but most of its wit and magic come from the component making least effort: namely Mr. Le Mesurier. Will some filmmaker please seize on the languishing genius of this exquisitely dapper dégagé and hewildered comic actor, and build a staring role for him? •

Porridge is a film version of the long-running TV comedy series about prison life starring Ronnie Barker. Written by the by Mr. Clement, it bears at times the elongated, stretched-on-the-rack look of so many TV: into-film movies. But in compensation for some thin-on-thetolerably ingenius plot (Fletcher's inadvertent escape from prison and subsequently frantic attempts at re-entry) and staunch support from the series regulars Fulton Mackay. Brian Wilde and the late Richard

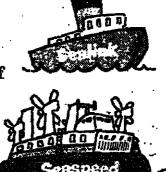
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After that, the cigarette lighter tails. Freddie Jones and Patrick Ryecart play the scene to the hilt, transforming their offstage acrimony over powder-box etiquette into an onstage conflict. The trouble is that the loke becomes repetitive, flashing to life again as Mr. Jones, mumbling after that fatal extra drink curses the experimental theatre en route to storming the barricades as a French Re-

Because Mr. Pearlman's pro- The Park Lane Group chose duction is so deliberate, you to present in this centenary keep waiting for an ideological concert. Bridge's four major crunch that never comes. The works for violin, cello and

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Friday July 20 1979

The refugee dilemma

is central to the conference on Indochina refugees that opens in Geneva today and is one that puts before the international community a dilemma that it has not faced in such blunt terms sice Hitler's far more gruesome determination to be rid of the Jews.

The Vietnamese are not physically expelling their ethnic Chinese community. But they have made clear that there is no place for them in Communist Vietnam. The intimidation that forces the Chinese to risk their life by taking to often unseaworthy boats is a matter of depriving them of jobs or schools for their children and then of facing them with the choice of work in labour camps or in the "new economic zones." Mrs. Thatcher was right in wanting a conference that would tell the world more Vietnam today,

Humantarian

the Geneva meeting must be the bolstering the pro-Vietnam humanitarian issue of finding a regime. They also face a well permanent home for those who organised Khmer guerilla movehave survived this miserable ment which the Chinese and and of getting the Vietnamese to slow down the Asia have the power to stiffen exodus. Some 200,000 boat further through a flow of arms refugees are now in camps in and armed men. South East Asia including 66,000 The Vietnam more humane face on her ridors at Geneva, and more denunciation of the inhumanity of Vietnam. But it is small beside the magnitude of the problem issue which seems increasingly and beside the numbers that Jikely in the Security Council. At some other recipient countries the moment the Vietnamese are

can see some gain to themselves One element in any solution will have to start from international

HCW TO DEAL with a nation "orderly departure from Vietbarbarously prepared to evidt nam itself or from transit camps over a million of its population in the region. The West cannot even at the risk that more than afford to be seen to be turning half those leaving will be away refugees without underdrowned at sea? The question mining its position that citizens of Communist countries have the right to leave. More important any attempt to force the Chinese or dissident iVetnamese to stay would risk further endangering their lives.

But the Vietnamese must also be left in no doubt that neither they nor any other country can simply export their unwanted population. The Vietnamese are vulnerable to pressure. So to a limited extent are their Russian allies who do not wish to see an anti-Soviet bloc gather momentum in South-East Asia.

Pressures

The Vietnamese are vulnerable in that they are sensitive to their international image which is one reason they are attending the conference. Their economy is well night shattered by a combination of war and would tell the world more bad harvests and they desperahout what is happening in ately want aid from nations other than the Soviet Union. In Kampuchea they face the prospect of a disastrous famine this year-posing for the west tricky But the immediate concern of problems of how to help without

their neighbours in South East

The Vietnamese are well in the British colony of Hong aware of some of these pressures Kong. Mrs. Thatcher's offer that on them. They should be made Britain will accept 10,000 puts a more aware of them in the coronenly-if this is necessaryduring the debate on the refugee playing a game of brinkmanship The Vietnamese will not to consilidate their hold on Indovoluntarily acept any slowing chino irrespective of what the down of the exodus unless they cost is in human lives. In this they apparently have the supor the interntaional pressures port of the Russians, Mrs. on them are too strong to resist. Thatcher is right in wanting to stand up to this bullving. But Reitnin and other western states acceptance of the plan agreed must also support the other between Vietnam and the United nations of South East Asia in Nations High Commissioner for sharing the burden of the Refugees (UNHCR) for refugees.

Rolling back the map of regional aid

BY ANTHONY MORETON, Regional Affairs Editor

sat down in the Commons alone. on Tuesday afternoon after In future, intermediate areas announcing his plan to curtail aid to the less affluent parts of assistance. The buildings grant

Officially, the Confederation of development areas is being British Industry might welcome reduced. less government involvement; but individual businessmen are now hurriedly working out what the plans will mean for their future investment decisions and whether their manufacturing capacity should be moved

take advantage of the

changed rates. How far Sir Keith has rolled in an area receiving some form of assistance. By the time the transitional period for changing the status of the areas affected comes to an end in 1982-83 that figure will have been cut to 25

Intermediate area loss

But the effective cuts that intermediate status. Sir Keith has made are, in fact, grants are higher and no there are three categories of assisted area: special development areas, in which grants of 22 per cent are available for new machinery and buildings; development areas, where prior to the changes the grants were lag only slightly behind those help. This "additionality" termediate areas will encourage 20 per cent; and intermediate in the South East, is in an inter-

Wales

Northern

East Midlands

South West West Midlands

North West

Yorkshire and Humbersid

Britain, one of his senior has been abolished and the Britain, one of his senior has been abbuilded miles apart, are both prosofficials commented pithily that only assistance the intermediate miles apart, are both prosofficials commented pithily that only assistance the intermediate miles apart, are both prosofficials commented pithily that only assistance will be able to seek will perous cities, yet the latter is come from a pool of money assisted; the former not. map" of regional assistance. come from a pool of money.

Predictably, every area out of which funds may be affected produced a spokesman fished only after very very during that night and the next stringent questioning. Aid will morning to complain bitterly be very much concentrated in that its future had taken a turn the special development areas for the worse. Business was not and development areas, and slow to respond, either even the attractiveness of the

Such an approach is not necessarily a bad thing. Sir Keith has been true to his word and is now concentrating assist-ance in the areas where it is most needed. The special development areas, which were originally set up to give extra help to those parts of the country such as the North-East. back the map can be seen from South Wales and around the figures. At the start of this Glasgow where the run-down of week 43 per cent of the working population of Britain was economic problems, will continue to receive 22 per cent assistance.

In order to make these areas comparatively more attractive, the rate paid in the develop-

to 15 per cent.
At the same time, the heavily aided areas have been more sharply defined. Some special development areas have been downgraded to development areas and some of the latter to

considerably greater. Exclud- change. Regional assistance has ing Northern Ireland, where grown haphazardly over the past 15 to 20 years and much changes have been made so far, of the growth has occured as a result of local pleading falling tained an element of what the upon receptive ears. This civil servants call "addition-higgledly-piggledy progression, ality." That is, a businessman in consequence, threw up any number of anomalies.

Aberdeen, where house prices

PLANT AND MACHINERY

DA† 163,521

4,620 nil

18,279

51,497

759.083

60,033

54,391

85,993

HEN Sir Keith Joseph, areas, where a grant of 20 per mediate area. So is Harrogate, to applications for assistance the Industry Secretary, cent was paid on new buildings a highly successful watering under section 7. Scarborough, a comparatively well-off resort, is actually in a government and say: "I am development area. Stoke-on-going to put up a factory in Trent and Crewe, a couple of Newcastle. What assistance can

> The other sector in which cuts are being made is in selective assistance. Under the 1972 Industry Act, introduced during the Heath administration, regional grants could be supple-mented by selective assistance under Sections 7 and 8 of the Act. Section 7 assistance was largely given for the purpose of job creation or maintenance in the assisted areas; Section 8 to help firms anywhere under a variety of guises.

Bonus for Ford

When Ford decided to build its engine plant at Bridgend in South Wales, a development area, it received the 20 per cent towards the cost of its new plant and another 20 per cent towards the buildings. But it also received £75m under Section 7 in interest relief ment areas has been put down grants, making a total aid package of approaching £150m.

Without that package, Ford would have gone elsewhere. Austria, France, Belgium, Italy, Germany and Ireland are all in the market for new internationally mobile projects and all are willing to put together Few can argue with such attractive financial packages, change. Regional assistance has Sir Keith's cuts will make it that much more difficult to attract industry to Britain.

Section 8 aid has always conhas to prove that he would not have gone ahead with an investment without government

nessman no good to go to the you give me?" - He will be politely shown the door.

If the industrialist is wise, he

will preface his remarks in some such way: I am thinking of putting up a factory in New castle but, because of my cash flow, there is no way I can do it unless I get some assistance. Can you help me?" He will then he asl ed for his profit and loss. figures over the past three years, projections — and scheme will be discussed.

This is what Sir Keith meant when he described applications as being liable to be looked at with greater stringency.

It is estimated that by 1982.83, assistance under section 7 will be no more than £61m, bringing about a saving of £13m on the previously projected assistance for that year of £79m. This compares with £162.6m in 1277-1978 (the last year for which figures have been published). Even if the Ford share of the 1977-78 sum is substracted; other Section 7 aid that year was £88m, so there should be considerable savings on top of the £233m resulting from the cuts in regional development

grants. But will there? The amount saved will depend very much on the reaction of industry. Firms are much more mobile than they were and are quite liable to move, or extend, operations a few miles up the road to take advantage of higher levels of assistance. This happened a decade ago in Cardiff and was one of the grounds for upgrading the city from an interme-diate to a development area.

Furthermore, the reduction of grants in the development areas and their abolition in in-

Total

408 703

Source: Department of Industry

BUILDINGS AND WORKS

support, so there could be more applications for Section 7 assist-

ance, not fewer.
What irks industry more than the greater stringency which will be exercised in future is the way in which the system is changed to treatment. changed so frequently. In the past nine years there have been four main changes.

four main changes.

In October, 1970, the Heath government ended Labour's grants system and introduced tax allowances. With the Industry Act of 1972, the Tories performed an about turn and reintroduced grants. Labour, 1976, in howing over Christmas 1976, in bowing to Common Market policy, abruptly ended the regional employment premium. Now there are the Joseph measures. The government, implicitly, accepts this criticism and is letting it be known that there will be no changes for the next five years. A more pertinent criticism.

is that Sir Keith Joseph has done nothing to create a viable regional policy but has merely tinkered with the financial edges of it. The Labour government had a muddled view of regional policy, based heavily on political expediency, but it boost the status of both Scotland and Wales; offered them the prospect of devolution, and was conscious of the need not to let the North and the North West suffer.

Labour did little to. ordinate regional policies, though, and Sir Keith has not attempted to improve on that record. Britain is regionalised in many different ways, but no two ways coincide. The eco-nomic planning councils boundaries differ from those of the regional health authorities and the regional water boards. The Post Office, British Rail, British Steel and others draw their own boundaries to suit

heir own needs.

A second criticism is that Sir
Keith has underestimated the ffect that regional assistance has had on job creation. His estimate of 10,000 net new jobs year compares unfavourably Keith has underestimated the effect that regional assistance has had on job creation. His estimate of 10,000 net new jobs a year compares unfavourably ment of Applied Economics

When Merseyside and the South West are included, the figure could be nearer 15,000. And these figures exclude both the effect on service industries and the multiplier effect generally. Furthermore, because of the turn-down in the economy, the figures are lower than those recorded in the Sixties, when regional policy was being pursued a lot more vigorously. Nor will the considerable easing of the arrangements for obtaining industrial development certificates help the less affluent regions. It is true that it has not been difficult to get an IDC in the past three years but it was the effective use of IDC controls which did much to channel new firms to the assisted areas. The steady erosion of IDC policy has contributed substantially, in the opinion of Moore and Rhodes, to the crossion of regional policy.

Inner city iobless.

No mention was made by Sir Keith of the thinking which is now going on within Mr. Michael Heseltine's Department of Environment on inner-city policy, an area which cannot be divorced from regional policy. Some of our most struent cities, especially London and Birmingham, are suffering very high rates of native unemploy

Moore and Rhodes have estimated that indigenous unemployment + that is, unemployment among people who both live and work in an area is as high as 14 per cent in inner-London. Yet nothing is being done to help London and there are fears that the extra heip which the former Environment

given to the sorr of criteria, which should be used for desigwith the work done by Mr.
Barry Moore and Mr. John
Rhodes at Cambridge's Departassistance.

Sir Keith Joseph has made They estimate that net job some sensible moves and creation in manufacturing achieved monetary savings industry in Scotland, Wales, But he has missed a bigger Northern Ireland and the North opportunity to do something alone amounted to 12,000 jobs about regional policy as a a year between 1972 and 1978, whole

Cutting down the NEB

TWO PROBLEMS have faced maximum amount of private ineither because they are un-slaeable in their present form This concession to the NEB's tions of the market

Monitoring

As expected, Sir Keith Joseph announced yesterday that the NEB would continue to look after those companies which have been in trouble, the high-risk ventures which which have a prospect of the private sector is reluctant viability but for which no private-sector solution is availto the future of the UK elecable. One of the arguments tronics industry. A partial for using the NEB to hold the answer for the future is to state investment in BL and ensure in the new legislation Rolls-Royce is that a semi-that all investments above a independent agency is more certain sum have to be specificlikely to monitor management ally approved by the Government department. This is by no monitor management ally approved by the Government department. This is by no entrepreneurial executives to means certain; arguably a seek other jobs. But given the strong Board in the company itself, with a non-executive will be difficult for Sir Keith to chairman and a majority of avoid taking a strategic view non-executive directors, could about electronics. do the job better. But for the time being it is probably less disruptive to maintain the NEB's supervisory role.

Sir Keith left open the possibility that in "wholly exceptional circumstances" the NEB might be used in future to hit the NE Bis allowed to support scheme from the scheme from the support scheme from the support scheme from the this would only be on the initiative of the Government. There is no question of the NEB be-having as a general merchant "The greater part" of its portfolio will be sold off as circumstances permit. But there Germany? is an important exception. The NEB will be allowed to retain its investments in the dozen or so newly established hightechnology companies, mainly money is to be used in this in computer software and

microelectronics. Sir Keith argues that the market has in recent years been discouraged from supporting such objectives are and whether there ventures. He thinks it is sensible to use the NEB as one ing them. Just as the Governmeans of familiarising the mar-ment is right to take a critical ket with new technologies. This look at the aid schemes started role will be necessary, accord- by its predecessor, so the NEB's ing to Sir Keith, only until the portfolio of high-technology inmarket is strengthened: the funds available will be strictly scrutinised before additions to limited and in each venture the it are contemplated.

the Conservative Government vestment will be secured with as it considered what to do a view to full private ownership with the National Enterprise as soon as possible. The NEB Board. One was to decide how will be able to reinvest some of to deal with those investments the proceeds from disposals of which were likely to remain in these companies in new highthe public sector for some time, technology ventures, but only in This concession to the NEB's

or because the NEB is too desire to retain at least some of heavily committed to them. The its entrepreneurial function other is the more philosophical raises a number of questions. question of what sort of agency. Within its portfolio there are if any, is thought to be neces-sary to correct the imperfec-in micro-processors and Nexos in office systems, which look dubinus on technical and commercial grounds. There is a strong case for putting a stop to them now before any more

money is spent.

The NEB will presumably argue that these are precisely

Sceptical

The Prime Minister is reported to be sceptical about the value of the microelecinvest public money in the same general area, will it be on an ad hoe basis, picking potential winners as they emerge, or will it be part of a strategy for elec-tronics, on the pattern followed by France, Japan and even

The fact that other countries support their electronics industries does not mean that the UK has to follow suit. But if public sector, whether through the Department of Industry or the National Enterprise Board, it is important to be clear what the is a realistic chance of achievvestments needs to be carefully

SELECTIVE ASSISTANCE

REGIONAL GRANTS 1972/3-1977/78

137,490

Number		Associated	Estimated	employment		
:	Vaiue £ 100 0	project costs	pro	rted with jects	• 1	Payments £'000
:		£'000	New	>areguarded	٠.	
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4.561	467.972	4,366,122	291,680	118,738		213,092
				Repayments Net expenditure		30,028 183,064
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MEN AND MATTERS

New chapter for

old Moore

The urbane presence of Alan Moore—probably the Gulf's best-known British expatriate—will he much missed at the endless receptions which provide Bahrain's most effective business intelligence service. Moore first visited the island in 1969 for the foundation of Alba, the aluminium smelter works largely financed through the ECGD and the bank for which he then worked, Glyn, Mills and Co. When he leaves to join the board of Lloyd's Bank International in December, he can reflect that in one decade he has effectively put Bahrain on the world's financial map.

The early years of Aiba were fraught with financial problems which he helped to overcome, and it was his continuous contact with the Government of Bahrain which brought the invi-tation in 1974 to direct the newly-formed Bahrain Monetary Agency. He served for three years as director general and another two as adviser. "No-one should be allowed to become a central banker without commercial banking experience," he now says. "Then one appre-ciates how much time is consumed in filling in returns for the central bank-only so that someone there can file them away. You also understand how regulations can be bent or avaded if they are of no practi-

cal benefit." Bahrain's offshore money market, patterned on the regional market of Singapore. was launched in October, 1975, and was an immediate success. Within six months 32 licences had been issued to major international banks and trading had already begun.

not presiding over his blue-glass palace in the heart of Manama's diplomatic area—Moore says his informant—" a host of other discovery last week that the goodies." entire management of Alba were



gives the Americans the edge over us the prize money is pounds."

his juniors "suddenly made me

In the bag

A remarkable piece of entre-preneurial endeavour was reported to me yesterday by a City reader. He was somewhat bemused by a communication from the managing director of from the managing director of good as people who actually the Brentwood Sack and Bag have them. They're all up-Company, one L. Laurier, who runs the company w R. Laurier and M. Laurier.

L. Laurier's letter announced that the company was repre- Yellow Pages, Hill has also which goes on to suggest the recipient might be interested in second-hand hessian speeting, sacks, rolls of polythene of different kinds, according to my

logue of Laurier's products has been expedited to all or most of few wayward casino operators, the 630 Chamber luncheon guests. Quite what the many MPs, foreign bankers, and hair-ted in passing an eye over dressers present will make of it is a mystery to me. But who knows? Hessian sheets may touch some stray nerve in Lombard Street. And if all else fails, Laurier can always recoup the cost of the postage by sell-ing the Chamber's guest list.

Name game

On my telephonic travels during the last day or two, I have discovered just how big the names industry has become. Particu-larly among news letter managers, they are being bought, sold and swapped with increasing gusto, culled from subscription lists, conferences, credit com-panies—and of course lunch guests lists.

Ladbroke's might even have

saved themselves the trouble of employing their now notorious car number spotters by contact-ing a company called Elite Reg-istrations in Wiltshire, which buys and sells number platesand sells its clients' addresses. We also have lists of applicants for personalised number plates," I was told bye the owner, Tony Hill, who assures me he is "number 1" in the field. The applicants are as market names, really cream names, people with money to spend." Price: £25 per thousand. Poring over the nation's sented at the recent London tracked down less gilded, but Chamber of Commerce AGM still saleable, names hairdres and lunch. "I was unfortusers, fishmongers, carpet-layers.

nately unable to speak to you. There is a limited market for well and living in Tooting. A personally," says the letter, almost any kind of list, even South African reader searching that offered to me by one broker of 259 Norwegian interior decor-ators (a mere £15). I found this almost as resistible as the names Still only 43—and anactive double-knit (and polythene) almost as resistible as the names motor-sport enthusiast when dust sheets, black polythene of 250 people who trooped along to the "International symposium" find the area a little, er, on the hydrological characteristic of river basins and their effects on better water manage-It would appear that a cata- ment in Japan "-vintage 1976.

But cat burglars, perhaps ; ted in passing an eye over Britain's Krugerrand buyers— who can be had for a mere £35 per thousand.

Tuned in

Despite using only a sixth as much energy as the average U.S. family, the Japanese household has switched on to the energy crisis with commendable equanimity, if one can judge by the response to a question-naire sent out by Mitsubishi Electric. •

Twenty per cent of the respondents said they would be cutting down on watching television—particularly effective in Japan, where broadcasting goes further round the clock than anywhere else in the world. Another 8 per cent, even more ascetically inclined, vowed they would be getting up and going to bed earlier so they could save on electric light. would, of course, cut down television watching too, unless they succumb to the temptation of watching television in bed.)

Made of even sterner stuff are those who suggest having the whole family live in one room. No heating at all would needed, and it would be hard to see or hear a television in a really crowded room. If this solution were combined with another idea—taking fewer baths—there would at least be plenty to talk about.

Going native

Estate agentese is alive and well and living in Tooting. A yesterday for somewhere to hang his hat was surprised to be told by the estate agent: This is a most agreeable little residence, sir. But you might

Observer

Thisisa Diagem Solitaire ring costing £59.50 A REAL DIAMOND RING JUST

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المكذامن الأجهل

Foreign bank bids: U.S. unease grows

Net income 1978

growing opposition after a year try are attempting to rally poli-during which the Federal Re-tical opinion against it. serve Board approved the Senator John Heins one of transfer to foreign control of those who attended the hear-U.S. banks with assets aggregating \$24bn.

The most visible evidence about whether the Hongkong and Shanghal Banking Corpora-tion should be permitted to acquire the state's seventh biggest bank, Marine Midland Bank, with assets of \$14bn

In Chicago where the fifth, sixth and seventh largest banks. are now all targets for foreign acquisition bankers such as Mr. Roger Anderson, chairman of the city's biggest bank. Conti-nental Illinois question whether it is "equitable" that foreign banks should be able to take over institutions which domestic banks are legally prevented from bidding for.

Continental Illinois, incidentally, has been the bank in Chicago which has been most active in encouraging foreign banks to open for business in the city. In private, executives at other banks are much more critical of the wave of foreign takeovers, but their public comments are phrased with an eye on the diplomatic repercussions for their own, extensive, foreign

This wek in washington the debate about foreign bank takeover activity in the U.S. took more formal shape when the Senate Banking Committee opened hearings on the issues. The fact that only two Senators attended suggests that political concern is a long way below boiling point. Covernment witpesses from both the Treasury and the Federal Reserve stoutly defended national policy which

THE STAMPEDE of foreign this official view is coming banks to expand their U.S. under strack. Influential secoperations is beginning to face from of the U.S. banking indus-

ings, has proposed that Congress institute a six month moratorium on foreign bank has been the battle in New York takeovers of U.S. banks while regulators study the issues. He appears to have won a sympathetic response from the Committee chairman Senator Wil-liam Proximire. Even Senator Heinz's staff concede that the chances of his proposal being given priority in Congress are at present slight. But it is equally clear that the more critical mood towards foreign bank takeovers could spread if takeovers continue unabatéd. Even the current atmosphere seems likely to lead the Federal Reserve to scrutinise more vigorously new applications as they come before it.

Biggest sum

This may give cause for concern to the Midland Bank which earlier this month launched a bold \$520m takeover bld for Walter E. Heller International Midland's offer adds up to the biggest sum that any foreign bank has earmarked for a U.S. acquisition. The bid. which has to go to the Federal Reserve for approval after having been endorsed by the Heller board, shows a shrewd appreciation of the dominant trends in U.S. banking and a canny understanding of how Midland's strengths can be welded into the U.S. financial market.

Complaints that foreign banks and competitive advantages finally led the Congress last

Banking (domestic) (foreign)

Less parent company expensest * Finance includes factoring, 13.5 per cent; business loans on mortgages of security, 25.5 per cent: loans secured against accounts receivable, 20.5 per cent; inventory loans, 7.7 per cent and real estate loans, 14.6 per cent. Proportions are measured in terms of receivables in each financing category 1 Expenses include mainly interest on debt incurred purchasing American

WALTER E. BELLER INTERNATIONAL

Assets 1978

freedom to open branches in of foreign control on a bank, several states when U.S. banks such as Marine, which is a domimay only have deposit-taking nant factor in the local economy. branches in a single state. The Act, as the president of the New York Federal Reserve, Mr. Paul Volker has pointed out did not deal with some important stirring up most opposition to issues arising from foreign

takeovers of U.S. banks. Banking Superintendent, Miss Muriel Siebert who was on the point of refusing Hongkong and Shanghai Bank permission to acquire Marine Midland. Miss Siebert has published a 50-page analysis of the Hongkong Bank's application for approval of the Marine deal which goes a long way towards refuting those of her critics who accused her of simple nationalism. She reveals for example that the Hong Kong bank was unable to provide her "consolidated balance sheets and income statements of itself and its major subsidiaries prepared in accordance with generally accepted accounting principles in the U.S. and containing adequate

closures. The question of regulating a

While these broad issues are obviously of long-term significance there can be little doubt that the issue which is

foreign bank takeovers in the takeovers of U.S. banks.

U.S. is the growing worry
Some of these issues have among U.S. bankers that the
been raised by the New York foreign invaders still have a competitive advantage over many local institutions. Take the Midland bid for Heller: a large making a similar bid by bank holding company legislation. and probably by anti-trust law

American sensitivity on this point is heightened by the fact that U.S. financial markets are in a state of flux with the banks facing intensifying competition from finance companies, savings mercial paper market as well as the foreign banks. Many of the largest among them are chafing at the legal restrictions which prevent them from operating effectively in more lhan a single state.

It is an appreciation of these competitive forces which is the moving into competition with most striking element in the the likes of Heller and CIT is that foreign banks should be year to pass the international bank controlled by a foreign most striking element in the likes of Heller and CIT permitted to acquire U.S. banks Banking Act of 1978. That act parent is one important issue Midland Bank's proposed Financial are varied. A primary without facing discrimination set out to remove some of these critics of foreign takeovers are acquisition of Heller, an one, and one which is no doubt because of their nationality. But advantages, in particular their raising. Another is the impact element which, coupled with as important to Midland as it is

proposal controversial.

company, its main business and house lending to small and sidiary with lending offices in medium-sized companies on the several states is one way of security of their assets, receiv. sidestepping the restrictive ables or stocks and operating banking laws.
across the nation with 55 offices

Another for in 35 major cities. It is in fact a leader in its business and if Midland secures control it will have a position in this asset

based lending market which no other U.S. bank can equal. It is not just these hig banks that are expanding in this market. Some of the biggest and most sophisticated U.S. companies are either in the field or secking to break into it. This month the giant electronics and telecommunications RCA announced that it was ready to spend probably over \$1bn buying one of Heller's rivals, CIT Financial.

Restrictive

General Electric, the world's leading electrical equipment company, has also been expanding dramatically in the financial services industry in competition with finance houses like Heller. and with the big banks, General Electric Credit Corporation has assets of over \$6.6bn and makes Aetna Business Credit, a subsidiary of Astna Life and Commercial Casualty and Data's sub-Credit, Control sidiary, are big in the field too. So for as the big banks are concerned the attractions of

terests, promises to make its paid \$198m for American Credit, is that finance house; have lead-Although Heller controls the ing operations in dozens of fifth largest bank in Chicago, states across the country. Banks American National Bank and may generally have deposit-Trust, with assets of \$1bn, and taking branches in one state is therefore a bank holding only under U.S. banking laws. though they may lend money the bulk of its profits are not anywhere in the country. Thus in banking at all. It is a finance control of a finance house sub-

> Another factor is that the biggest companies which used to borrow from the giant money centre banks in New York. Chicago and San Francisco, have been borrowing growing sums in the commercial paper market where funds are cheaper. The banks want a new market for loans to try to replace some of the busines; lost to the commercial paper market. Lending to smaller or medium sized companjes in local markets across

the country is an obvious possi-

bility.

The obvious question course is why so apparently well positioned an organisation as Heller should want to merge with Midland Bank for it could certainly have resisted successfully. The Fed has made it clear that it would look askance at hostile takeovers of U.S. bank holding companies. and through its ownership of American National, Heller is a

bank holding company, One reason of course is that Midland is offering a very business and consumer loans, generous price of \$42.50 a share compared with a market price for the stock of around \$17 before Heller said it had been approached, and a book value \$23.76 at the end of 1978. As Mr. Franklin A. Cole, chairman and chief executive, puts it, he and his colleagues are professional managers and they must act in shareholders interests.

But another factor is un-

UK: Unions and management

Game

Finance Commissioner, presents proposals for EEC budget

Times Newspapers.

Presentation

Plaisterers' Hall, London.

Church, Westminster.

Management

Midland's existing U.S. in- to Barclays Bank which recently doubtedly the commercial environment in which Heller is to commercial customers, Midoperating. The carnings growth land will not be saddled with and lending against stocksasset based on collateralised lending-has been sluggish since 1974. In part this was so because of the recession which hit in that year, but also because of mounting competition from those major companies, including banks, which have been attacking Heller's market and cutting rates to compete.

Expertise

feels that a link with a big international bank such as Midland will help its business. The backing of Midland will improve its access to both the and the international markets such as the Eurodollar market; it will enable Heller to increase the ratio between its borrowings and its capital base to levels nearer those at which its rivals, owned by large corporations, operate: it may find that it will be able to pay a lower rate of interest on its borrowings, especially its longterm debt, and it may secure savings in its foreign exchange operations. More generally it will bring to Midland expertise in both the U.S. and many foreign markets where it has leasing, factoring and secured lending experience, businesses which Midland itself is well placed in the United Kingdom.

ing to companies with sales revenues anywhere between finance subsidiary and between \$250m and \$500m in the Heller banking subsidiary.

from Heller's finance house heavy consumer lending comoperations, factoring, leasing mitments which, while profitcircumscribed by regulations in many states which restrict the amount of interest which can he charged. Usury laws do not restrict commercial lending where rates can be as high as seven percentage points over prime rate.

Midland will also be getting (if the deal goes through as planned) a Chicago bank which. while it could be managed more aggressively and perhaps profitably, has benefited from conservative lending policies and is highly liquid. Since it is Heller's management clearly based in Chicago where banks are only allowed to have one branch office, Midland may also find that future changes to banking law will allow it to build up a solid consumer banking business in the future.

The most pressing issue it will have to address however is how to convince U.S. regulators that it should be permitted to keep its 16 per cent Group, and through that company a holding in a \$5bp Californian bank, and also its 20 per cent stake in the Euronean American Bank a New York banking institution with assets of \$5.6bn owned by six international banks. That ownership of EAB is steadily becoming more and more anomalous as the shareholders build up their own-inevitably conflicting -separate U.S. operations.

In political terms questions of For its part, Midland would fereign bank takeovers are get access to this expertise plus unlikely to grab the headlines a solid position in the U.S. in a presidential election year. operating nationwide in lend- Foreign banks with applications pending, including the Midland. must hope that more of their \$1m and \$100m in Heller's international rivals do not climb on the takeover bandwagon now and bring the controversy to the

Letters to the Editor

Carrying the bad news to the underwriters

rom the Chairman,

Sir,-The issues raised so far n connection with the massive lected by Lloyd's and others seem to have centred around whether this type of financial guarantee insurance ought to have been offered by Lloyd's. While I am not qualified to answer this question I am able to comment upon the quality of Banking the insurance cover implicit in the Lloyd's "J" policy and its may take in any type of operateffect on the marketplace in

dominate that "some you win, some you lose" (without reference it would seem to the \$200m-\$400m estimated drain on the UK's balance of payments). Hindsight however implies not being able to quantify future events, but I contend that the facts surrounding this ihsurance policy were as clear as day when the business was written and that what was lacking was not hindsight but foresight.

Such myopic thinking has resulted from a lack of under-standing of computer leasing. This business is a classic risk/ reward industry. It is an area. where the entrepreneur reigns supreme and where business judgment and timing are paramount. The major risk factor is machine obsolescence in anindustry where technological change has become famous.

The key to success in comments assuming residual values duct's life. Our company designates an 18-month invest-

during which period we are prevalue of the equipment in the

the Lloyd's "J" policy was used wisely by certain policy bolders who needed the comfort of the policy to fulfil certain regula-tive limitations; primarily in the United States where Federal Regulation ing lease. The Llafd's policy therefore enabled? American A leading Lloyd's official is bank-owned leasing companies legitimately sidestep the regu would have otherwise

> to go wrong when other leasing companies which previously had relied on equity finance to fund residual value shortfalls (and in most cases had come to the limit of their investments in IBM's 370 series computers) were offered a second bite of the cherry without incurring any extra appreciable risk. policy was manna from heaven, giving these leasing companies equity funding and thereby enabling them to write huge amounts of business which they had previously declined to

The policy started impacting the European marketplace in late 1974 and reached its zenith in mid-1978. residual value insurance on cerfuture which were even then remains ment window following the first well beyond the realms of

At that time my brother and pared to make certain assump. I were managing a computer tions regarding the residual leasing company on behalf of were managing a computer a major British commercial bank. By the end of 1974 we were gradually reducing the residual values we were prepared to accept on IBM's 370

It is seldom mentioned that series processors. During 1975 the Lloyd's policy began to bite in Europe and business was concluded on a large scale which dramatically undercut the rates that we, or any nonrestricts the risk which a bank policy holders could or indeed would prudently offer. At a later date we ourselves applied for the policy. wanted to use it in its initial

reported to have stated that who were happy to accept the format primarily to support "hindsight is 20:20 vision" and risk of machine obsolescence to lease risks on any future machines which LBM might tion and write business which shortly announce where we judged that the risk would be revenue producing capability The Lloyd's "J" policy began By that time however Lloyd's was not prepared to issue any new policies. The insurance disaster has

not resulted from an unpredictable catastrophe. This is not Hurricane Betsy or the Darwin cyclone. The facts which are now causing such controversy were known within predictable limits when the business was written. The only uncertainty was the amount of the final It is to be hoped that the

powers that he at Lloyd's will earn some lessons from these events. The policy of never precludes bearers of bad tidings from conveying their knowledge to the insurance It provided underwriters. Our only course puter leasing is to make invest fain IBM processors which were of action was to present our ments assuming residual values first introduced in 1972, and it views to a broker whose prime as early as possible in the pro- permitted policy holders to objective was to sell insurance. assume residual values in the This conflict of interest still Parry Mitchell.

1 Albemarle Street, W1.

a formerly dull and tottering industry with excitement and capital. The inland Britain are a national asset and are attracting more and

more interest from the Government, the investor, the consumer of holidays and the ordinary citizen. Leisure boats. although under-utilised, make a substantial and growing contribution to the economy. short, the leisure boat business regaining strength and health. For the Canals and Navigators Alliance (July 16) to suggest otherwise is misleading.

Frederick James Haney. 16. Sloane Square House, 1 Holbein Place, SW1

Metric inch and pound

From Mr. J. Brooke

Sir,-Congratulations to Mr. Jenkins (July 9) for pointing out the folly of abandoning Imperial measures. When the Quango known as the Metrication Board was set up I wrote offering to give information on the problems of metric measures as experienced by me in ten years' residence in Scandinavia, but all I received was a buff card of acknowledgement.

It is time this country woke up to the facts of metric life. In Scandinavia timber and carpentry go by inches and feet: a standard of timber is 100 cubic feet. In Copenhagen and Hel-sinki the tailors measure their customers in inches, as they say they can see a mistake, which could not do if they used centimetres. In Sweden 10 kilometres make a mile (Swedish: mil), and in Denmark one buys butter by the pound (pund, half a kilogramme) and cream by the gill (pægl). Piping in that country is connected by fittings (the Danes call them feetings) Imperial measure; and land is measured, not in hectares but in cubits (alen) and small acres (tonde). In Holland land is measured in morgen, and in South Africa in morgen and (in mining land) in claims.

I suggest. Sir, that with the lack of uniformity of measurements in the so-called metric countries, the proper thing for this country to do is to wind up the Metrication Board and to let market forces reach a solution, if a solution is needed. We might then be able to drop the horrid word pronounced (by some) killommeter which, as everyone knows, is 1m. milli-

Justin Brooke. Chymorcah Vean Marazion, Cornwall.

Changing from oil to gas

From Mr. J Darlington

Sir.—The idea currently being mooted by the Government that gas prices should be raised to give greater comparability with oil seems to me to be the ultimate in absurdity. Patently, all ways should be

it would seem common sense to encourage a changeover for mittee which recommended it. domestic purposes from oil to and on the Government for gas. Apart from existing gas setting up the committee just fields and proven reserves in when a workable method of oil fields which have to be British tourism. It has injected flared if not used.

Whereas oil is wasteful to use purely as a fuel with its many alternative uses, gas has only one basic application. Furthermore, it is very much cheaper to convert coal to town gas than convert to synthetic crude. Thus, even when natural gas supplies are exhausted it will still make good sense to use gas produced from coal-of which we apparently have known reserves sufficient for over 300 years:

Even the argument that an increase in gas prices will help our mining industry is not valid. If and when we are able to produce sufficient coal domestically for our steel and electricity requirements it can be used to conserve precious and limited oil and at the same time to augment as necessary, natural

Domestically and commercially. I use between 12,000-15.000 gallons of heating oil a year. Partly to ensure continuity of supply and partly because of price advantage I but if there is to be a significant hike in gas prices, the cost of conversion will make such an undertaking uneconomic and I shall just take my chances on oil availability. J. B. Darlington.

High Edser Farm, Ewhurst, Cranleigh, Surrey.

Accounting for losses

From Professor D. Myddelton Sir,--\lr. Biffen has disclosed in Parliament that accumulated losses of the nationalised industries total £1.9bn. But his figures do not allow for inflation, which is somewhat surprising if the Government is as keen on inflation accounting as it now pretends.

The real losses of the six main nationalised industries up to 1978 are much larger than Mr. Biffen suggests. According to my calculations, they amount £32bn (expressed in June 1979 pounds), after charging real interest averaging 31 per cent per annum on government government capital has been treated as equity to avoid any need to credit state industries with monetary gains in respect of the Governments' \$5 per cent currency debasement since

Needless to say I have used the constant purchasing power method of inflation accounting (the only gemine method yet suggested). Even if current cost accounting were a method of adjusting for inflation - which the recent CCA Exposure Draft 24 explicitly admits it isn't different years' CCA results could not meaningfully be added together.

The Government's role in inflation accounting (apart, of course, from providing the inflation) has been to obstruct the accountancy profession's 1973 proposals for CPP accounting. So it is annoying to see Barry Riley blaming the profession for inaction. The confusion resulting from the utterly examined of energy saving but inappropriate CCA method must be blamed on the com-D. R. Myddelton.

Cranfield School of Management. Cranfield, Bedford.

Today's Events Socialist International Party

resume talks on republication of holds two-day leadership con-National Union of Railwaymen ference, Bommersvik, Sweden. and London Transport discuss pay settlement for 3,500 work-shop staff. PARLIAMENTARY BUSINESS House of Commons: Private Members' Bill, including fifth of National

attempt to introduce compulsory prizes, wearing of seat belts. OFFICIAL STATISTICS Memorial service for Mr. Department of Industry pub-lishes sales and orders in the John Davies, St. Margaret's

Overseas: Two-day UN conengineering industries (April). COMPANY RESULTS ference on Indochinese refugees Final dividends: Market Trust Indial Common Mr. Christopher Tugendhat. Services.

ment Trust Glasgow Stockholders Trust. Tyneside Investment Trust. figures: Lowland Investment, Updown Investment Company West Coast and Texas Regional Investment Trust. COMPANY MEETINGS

terim dividends: Carliol Invest-

J. Billam, Royal Victoria Hotel, Sheffield, 12. Brent Walker, 23 Tower Place, Tower Hill, EC, 4.50, Portsmouth and Sunderland Newspapers. The News Centre, Hilben, Portsmouth, 12.30, Robertson Foods, 59 Burnhill Road, Beckenham, Kent. 10.30. Sumric Clathes, Sumric House, Lynter Holdings, Nova (Jerse) (Frit, Wallis Fashion Group, In-

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deliveries of a new IBM series, credibility. The leasing industry

From the Director-Secretary, Equipment Leasing Association Sir.-The articles on leasing by David Freud and Michael Lafferty (July 10 and 12), may give some of your readers a misleading impression of the leasing industry and, in particular, of the Equipment Leasing Association's views on lease

The demand for lease finance has grown in the UK, as it has grown throughout the world. lessors offer a range of benefits which, added together companies and obtain specific are unique to leasing. The use of tax allowances is one part of this package and, currently, because of the present system of incentives to industry, it is an important part in the UK. Leasing has, however, grown at comparable rates in other countries should take precedence. where tax relief is not a significant factor.

We estimate that around 8 to 10 per cent of the total investthe UK is now financed by leasing. The figure of 25 per cent mentioned in both your articles is true only if two-thirds of capital expenditure financed from internal sources is ignored.

leasing . now towards the financing of indus- sors. trial investment in the UK, it would be surprising if Govern-

industry on a continuing basis. But we know of no special study of leasing by the Inland Revenue and we assume your columnist was referring to the review of corporation tax which the Chan-cellor of the Exchequer initiated in his recent Budget speech.

The association has not sought to delay the preparation of an accounting standard for leasing.

We have consistently advocated full disclosure of lease commitments although we consider that "full ment in capital equipment in and fair" disclosure is best achieved by way of a comprehensive note to the accountsthis method discloses more information than would be disclosed by capitalisation. The problem of maintaining sufficient water accounting for lease commit-In view of this contribution ments by lessees however, is

capitalisation and for an ment departments and other example of this I would refer agencies, such as the Inland your readers to the opposition Revenue, were not looking at our expressed by the Scottish group

On the contrary—we made our submission to the Accounting Standards Committee in August. 1974, and have been awaiting the exposure draft for some years in order that we might make further progress on the standardisation of methods of income allocation by leasing guidance on the deferred tax treatment of leasing transac-We recognise, however. that other accounting matters covering more than one paid to the potential offered by specialised sector of business. such as accounting for inflation,

lessees. makes not primarily a matter for les-

Many lessees are opposed to

of fluence directors in your columns earlier this year. ·B. :Damer. quipment Leasing Association, 14, Queen Anne's Gate, SW 1.

Pleasure boating

From Mr. F. Haney

Sir,-Pleasure boats can vield from 10 per cent to 30 per cent and higher. It depends on a great many factors: original cost, how adept the owner or fleet operator is at selling the vacations, length of season, quality of construction, steel or plastic, etc.

Britain's canals are "old and decaying," but the tide has turned. More interest is being a greater use of inland waterways and, with more serious waterways competition about to be announced by France, the Waterways British Board (BWB) will have to fight to live. A step in the right direction.

Britain does have seasons," and there are two major reasons why. One is the domestic weather, another is the lack of foresight by the BWB in reservoir supplies. With more active foreign marketing and a better job by the BWB, operaand valleys. The recent surge of the North Sea and off our west inflation accounting (CPP) was interest and investment in coast there are huge quantities imminent. leisure boats has been extremely of natural gas associated with good for the industry and

Distillers rises to £180m Dowty tops £31m and GUS expands and pays extra 2.5p

DESPITE THE transport dispute and internal industrial action Distillers, the Scotch whisky and gin group which takes in Haig. Johnnie Walker, Booth's and Gordon's rose from £162.5m to £180.1m in the year ended March

The dividend is increased from 7.26p to 9.75n, with a final of

6.75p.

When reporting a profit rise

"Esm at halftime from £74.3m to £85m at halftime the directors said that the shortfall in shipments to the U.S. in the first half had been recovered and providing there was no disruption of activities they expected a moderate increase in

the full year's result.

The directors state that the backlog of Scotch whisky shipments from the transport strike in January had not been fully overtaken by the end of March. The strike did not have the

same effect on the gin sector

where operations were already disrupted by internal industrial action, the cost of which in under utilisation of production capacity cannot be recovered.

Despite these difficulties both Scotch whisky and gin, assisted by sales made ahead of the April Budget, showed volume increases in the home trade. Gin also showed an increase in export markets but Scotch whisky shipments did no more

than maintain the previous year's level. The food group and carbon diaxide company again achieved profit increases, the directors

After all charges including extraordinary items of 23.3m (\$0.6m) relating to Thalidomide, the group attributable balance comes out at £120m against £113.1m. Earnings per 50p share are stated at 33,97p (31.3p) before the extraordinary items. The extraordinary items com-prise provision for future annual

Lex takes a look at the banking figures, which show a further upsurge in lending, and the latest movements in the foreign and stock exchange markets. The column also looks at three big company results of the day. Distillers' pre-tax profits for the year are up 11 per cent while the dividend is hoisted by over a third. GUS has also had a very good year with a rise in profits of over a fifth and has started the current 12 months well. Finally Dowty's dividend is lifted by 68 per cent and pre-tax profits have climbed by a quarter. Elsewhere, Fodens' paints a sad picture. The year produced a loss and borrowings are much higher, yet there is a dividend and talk of an improvement this time round. Other results of note come from Raslemere Estates, Negretti and Zambra and Hollis Bros.

payments to the Thalidomide Children's Trust 23m (nil)—less deferred corporation tax applicable £1.6m-and expenditure and commitments relating to the settlement of Thalidonide claims of £1.9m (£0.6m).

The policy on deferred tax has been changed and provision made excludes items where it is expected that tax liability will not crystallise. Accordingly the tax charge is reduced by £36.7m (£33.9m) in respect of accelerated capital allowances, stock appreciation relief and other timing differences.

	1978-79	1977 78	
	ECOC		
Turnover*			
Trading profitt	173,900	160,600	
Investment income .	2,200	2,000	
Financial chames		8.000	
	7.500		
Surplus on invests	2,400	2.300	
Exchange debits	400	200	
Profit before tax	180,100	162,500	
Tavation	56.500	48,700	
		100	
Extraordinary items	3,300	600	
Attributable	120,000	113,100	
Dividends	35,400	26,400	
Retained	84,600	86,700	
* Comprices—sales e	scluding	duty	
UK £238 8m (£224.3m			
UN 1236 ON (1224.3M	ıy, ane	Olugi	
markets (287.6m (£356)	m). Օս	ty was	
C213.8m (C295.8m). †	Alter de	entecia.	•
00.0 (00.7)			

Moorgate Mercantile **improves**

AS EXPECTED, the recovery trend continued at Moorgate Mercantile Holdings, the credit firance and industrial leasing concern, in 1978/79. There is also a return to dividends with a 0.5p net final.

A second-half advance in pretax profit from £102,360 to £170,392 enabled the company to

lated deficit as at the end of 1977/78, has been delayed on a technical point. Turnover for 1978/79 was up

at £4.57m (£3.26m). After a tax charge of £32,572 (£4.665 credit) stated earnings per 10p share emerged 0.41p higher at 1.76p.

lifts dividend by 68%

both the growth in turnover and the 24 per cent improvement trading profit to £31.25m

(£25.25m).
At midway, the surplus was up at £14.12m (£11.05m) and the directors were confident. They now say that further growth in turnover and profit is anticipated for the current year.
With the deferred element

with the deferred element adjusted in line with Accounting Standards No. 15, the tax charge was only marginally higher for the year at £7.83m (£7.19m). This left stated earnings per 50p share at 35.1p (£7.5p) basic or 34.8p (£6.7p) fully diluted.

total to 7.5p (4.465p) which costs £5m (£2.9m). This represents one-third of available profits on a full tax charge basis and also on a current cost basis, the directors point out. Turnover and trading profit

analysed by activity shows in £000s: aerospace and defence £82,476 (£67,371) and £14,785 (£10,939); mining £102.293 with the total ahead from £205,360 to £304,392.

The planned reduction of the company's capital to write off all but £0.16m of its £1.52m accumulated deficit as at the and of the company's at the and of the company's capital to write off all but £0.16m of its £1.52m accumulated deficit as at the and of the company's capital to write off all but £0.16m of its £1.52m accumulated deficit as at the and of the company's capital to write off all but £0.16m of its £1.52m accumulated deficit as at the and of the company's capital to write off all capital capit

1978-79	1977-78
£000	5000
236,749	188,441
75.287	61.654
10,167	3,421
151,295	123,366
31,245	25,243
69	207
31,176	25,038
7,831	7, 191
23,345	17,847
	2,501 14,946
18,344	14,946
	238,749 75,287 16,167 151,295 31,245 69 31,176 7,831 23,345 5,001 18,344

Denbyware profit up to £0.91m

INCLUDING £67,565 from associates, against £8,608, and allowing for exchange losses of £57,700 (£61,135), group profit of Denbyware rose from £765,082 to £911,796 for the year ended A net final of 5p steps up the March 31 1979.

Turnover, however, showed a decline from £11.82m to £11.35m. Earnings are shown at 7.7p (7.6p), per 25p share. The final dividend is 4.058p to lift the net total from 5.4195p to 6.1705p. The directors feel that the group is well prepared to take advantage of whatever opportunities occur. The emphasis on

comment

...Denbyware has been smarting-from its ill-fated attempts to diversify and expand, particularly in the case of its furniture-importing operation from the U.S. But pre-tax profits are up by 19 per cent, despite the fact that turnover is down four per cent since last year. This latter decline can be attributed to the furniture run down The company suffered exchange losses of £57,700 last year and like other export-orientated manufacturers, is concerned about the strength of sterling Denbyware exports 31-35 per cent of its pottery and tableware, much of this to the North American market. The present dollar-pound rates do not

bode well for company prifits. The shares, at 108p, are on a pie of 13.5, while the yield is 3.5 per cent covered just 1.2 times. On the whole, assuming that U.S.

House of 2m shares priced at

160p each closed yesterday heavily oversubscribed.

Though merchant bankers,

spokesman did emphasise that

The last company to come to

market was retail chain B and Q. Its issue was of a similar size-

£2.94m-and that attracted appli-

cations for nearly £190m of stock-

In his annual report Mr. V. W. Watson, chairman of John Waddington, believes prospects for

the current year are better. The

various UK companies are making steady progress and the

group expects to achieve good

Waddington

outlook

brighter

S. G. Warburg, were not qualify

ing the number of applications

the issue attracted a "heavy number of subscriptions.

1.348,113 11.825,717
57.985 2.808 proper 57.700 87.335 surplus over nec.
571.796 785,022 some £250m.
108.570 196,700 Current earnings per 25p stock 108.570 196,700 Current earnings per 25p stock 226,112 730,223 onit are stated to be up from 226,112 730,223 onit are stated to be up from 28.15p to 36.9p and the dividend is being stepped up from 38.2488p to 10.5p, with a final of 6.4713p net

to £155m

A MORE than £3m advance in the second half lifted taxable profit at Dowty Group from £25.04m to a record £31.18m in the year to March 31, 1979. The net dividend is being hoisted & per cent and a one-for-one scrip issue is proposed.

Sales were 26 per cent up at £327m, with total overseas content 31 per cent better. The gerospace and mining divisions were the main contributors to both the growth in turnover and the 24 per cent improver and the 25 per cent improver and there seems to be unitarity to improve the sent improver and the 25 per cent improver and the 25 per cent improver and there

Jamesons

8.2488p to 10.5p, with a final of 6.4713p net

External turnover shows an interesse from f1.24bm to f1.44bm, including VAT of f19.08m (586.43m). The profit is subject to current tax of f44.83m (551.1m) and there is also a provision for deferred tax of f18.71m (56.92m).

The figures have been provision for the basis of SSAP 15 as regards stock appreciation relief. The deferred tax on this relief would have amounted to f13.95m (f1m).

The provision for unearned profit, service charges and collection costs were f112.73m at to 19 (0.875p) not less year's foliar costs were f112.73m at to 19 (0.875p) not less year's fifteectors point out that some factors against f109.200 against f12.72.

demand remains strong, Denbyware should now be on the road Little change at Astra-

and investment. Astra Indus-trial Group reports pre-tax sur-plus little changed at £1.04m posed for the year ended April 30. After tax of £279,000 1979, compared with £1.02m. (£306,000), net surplus dropped Mid-year profits were £426,000 from £714,000 to £662,000. With against £411,000. for the year ended April 30, After 127 of 1879,000 1979, compared with £1.02m. (£306,000), net surplus dropped Mid-year profits were £426,000 from £714,000 to £562,000 With against £411,000.

Turnover for the year rose lower at £14,000 (£237,000), from £7.67m to £8.96m, while available profits were down by operating surplus improved by £325,000 at £876,000.

12 per cent to £1.14m. Although Approximately £300,000 has engineering profits rose £211,000 been written back from deferred to £541,000, the contribution tax reserves. from the metals side fell by

increase the level of borrowing, after considering the future likely level of inflation. The funds raised are being absorbed-in property and investments, neither of which have produced their potential income in the however, expected to show good

Taises the total payment by 15 tors state.

IN A period of consolidation per cent from 1128348p to and investment, Astra indus- 1305p per 10p share. A two-for-trial Group reports pre-tax sur-

On the property side, the confil5,000 to £239,000. The metal pany is concentrating on redinishing result was up slightly veloping three of its industrial at £361,000 (£338,000). Sites which are in excess of reliable to the directors decided to Aston, is now completed and lewhile those at Rochdale and Wo verhampion will be completed i the years to April 1889 and 198

respectively.

The second increase of investment has been in marketable securities, where Astra holds 17.7 per cent stake in Birming ham Mint. The full year's poten returns in the future. tisl income has not been received.

A net final dividend of 0.90 in the 1978.79 year, the direct

Haslemere tops forecast as profits expand to £4.1m

cent discount. That looks reason-able in view of the quality of

the portfolio, which is concentrated in the City and the West

End, a record of successful

LONDON & WIDLAND

"A remarkable vear"

	7 -	
	1979 £'000s	1978 £ 000 s
Sales	20,399	18,493
Profit before tax	2,129	1,905
Extraordinary items (net)	2,061	(3
Taxation	(814)	(783
AVAILABLE TO ORDINARY SHAREHOLDERS	3,359	1,102
Ordinary dividend	738	352
75 T	ъ.	

- Main Activities Consumer Products and Engineering
- A new record in profits and sales with further growth foreseen
- # Extraordinary cash profit of over £2,300,000 from investment in and realisation of holding in Caledonian Holdings Ltd.
- * Successful Rights Issue resulting in net cash inflow of £1,374,000
- * Increase in value of assets per share from 54.5p to 87.5p.
- Dividend increased from 4.8077p. (28.87% Gross) per share to 6.75p plus additional special ordinary dividend of lp per share, total 7.75p (44.96% Gross)
- * Strong liquid position to support expansion of existing business and investment in new operations

C. M. BEDDOW, Chairman

HEAD OFFICE: 45 NOTTINGHAM PLACE, LONDON WIM 4BL



The Falcon Pipe Group Ltd.

have been turned in by Haslemere Estates. The taxable surplus reached £4.12m for the year to March 31, 1979, compared with not less than £3.4m expected at the time of the rights issue in January. In the previous year, the surplus was £2.83m. Net rental revenue rose from FS.36m to £9.19m, in line with expectations. Net profit came through at £3.1m, against £2.24m.
The forecast 30 per cent increase in gross dividends has

been met with a net final of 3.37p which lifts the total to Stated earnings per 10p share are up from 9.45p to 12.57p on net basis, and from 10.16p to 11.21p on a nil baris. Net asset value is shown as 376p (317p) basic, and 356p (302p) diluted. Dividends absorb £1.23m (£0.77m). There is an extraordinary credit of £1.35m (£0.43m) charge) which has been transferred to capital reserve.

ccmment

At 320p before yesterday's 12p share price fall, the uplift in Haslemere's asset backing had clearly been widely anticipated. Assets of 356p per share show an improvement of almost 23 per cent on 1978 values adjusting for the effect of the January rights issue, where the shares are now standing on a 13.5 per

refurbishment and a balance-sheet which shows short-term debt of just £6.9m against shareholders' funds of £108.5m. Yet against a background of a rapidly rising stream of income (to say nothing of dividend freedom) yield considerations must start to play a role in property share assessment and here Haslemere has had to be a little cautious. After a 30 per cent rise, the dividend is still covered 1.76 times, which is historically high for the sector. But capital allowances on indus-trial development will be running down as revenues increase and the pool of unrelieved ACT has already been reduced from £784,000 to £360,000 so Haslemere will be facing a more normal rate mainstream tax charge within about two years. distribution increases, the profits in North America 1978-79 dividend is perhaps artificially low and a yield of 2.1 per cent compares with the sector average of almost 2.5 per

MERCANTILE HSE OVER-SUBSCRIBED The offer for sale by Mercantile at noon.

The packaging companies are currently busy and profitable while the printing businesses have good order books. Although the new plastics factory at

Thornaby-on-Tees has only been

in operation since January, it contribute to profits this year, the chairman says Meeting, Leeds, September 14,

Inco sees pick up in second half

BY KENNETH MARSTON, MINING EDITOR

They bring the first-half total totalled \$76m for the first six production levels have now been to \$16.6m, or 7 cents per share, months of 1979) and charges attained there, compared with \$57.9m, or 64 attributable to the Guatemalan cents, for the first half of 1978, and Indonesian nickel projects. A further quarterly dividend of Net sales in the second quarter attributable to the Guatemalan attributa 10 cents is declared.

The further improvement in earnings forecast for the second half is based on the better conditions in the nickel market, the settlement of the strike at the Sudbury operations and the anticipated strong performance Finished nickel stocks at June electric furnace for repairs to of the ESB battery division and 30 last ha dfallen to 104m lbs damage caused by corrosion.

THE WORLD'S leading producer of nickel, Canada's Inco. expects earning for the second half of this year to "improve substantially." Meanwhile, 1979 second quarter earnings are reported at U.S.\$16m (£6.98m).

They bring the first half tests of the formed metal products group. They products group. They bring the first half tests of the formed metal products group. They because the first structure of the formed metal products group. They because the first structure of the formed metal products group. They because the first structure of the formed metal products group. They because the formed metal products group and 331m lbs at end-December. They because the fo

amounted to \$575m, making and Indonesian projects \$1.13bn for the first half of the amounted to \$46m and largely year compared with \$1.06bn.
Nickel deliveries amounted to 99m lbs in the 1979 second quarter and made a half-year total of 22m lbs (195m lbs).

consisted of borrowing costs. The Guatemalan project met its production targets in the first half, but that in Indonesia fell short owing to a shutdown of the

DIVIDENDS ANNOUNCED

		Date	Corre-	Total	Total
Silver and the	Current	. of	sponding	for	last
	payment	payment	_ div	year.	year
Allnatt	5.45	Sept 7	. 3.3	6.45	4.3
Astra Industrial	. n.g		0.77		L13
Braham Millar Clifford & Snell	1.07	Sept. 5	0.91	1.67	1.47*
Clifford & Snell	. 0.39	Oct 1	9.32	0.73	
Denhyware	- TUE -	Sept. 17	3.31	6.17	5.42
Distillers	6.75	Oct. 12	4.56	9.75.	7.26
Dowty		Oct 19			
East Daggafontein int.	nīlā.	` <u> </u>	25		25
rodens	. '9 R1	Aug. 31		2.61	
Gt. Universal Stores	6.47	Dec. 21.	4.64	10.5	
Habit Precision int.	0.55		9.55		2.2
Haslemere Estates	3.37	Oct. 4			3.3
Hollis Bros	3.31	Sept. 8			
Jamesons Choc's. int	1		0.88		
London & Lomondint.	1.41	Oct 4		 7	2.8
Moorgate Mercantile	0.5	Jan. 2			
Negretti & Zambra	1.93†	Oct. 5			3.63
Pentland Inv. Tstint.	1.5	Aug. 2			4.55
Romney Trust int	1.01 .	Aug. 29		<u> </u>	3.0
Scottish Homes	1.2	Sept. 3	0.9		1.5
S.A. Land	.20₹ · · .	Sept 7	nii .		25
F. H. Tomkins	. 0.65				-0.97
Trustees Corpn	4.2	Sept 22			
Vaal Reefs	1905	Sept. 7	100		280
		Sept 7	65		147.5
Wintrust	1.94	Oct. 16		29	2.55*
The second secon			· : :		

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. **To reduce disparity with final. § South African cents throughout.

To the holders of

Bank Handlowy w Warszawie S.A.

Redeemable Floating Rate Deposit Notes due 1982

In accordance with the provisions of the above Notes, American Express International Banking Corporation, as Fiscal Agent, has established the rate of interest on such Notes for the semi-annual period ending 14th January 1980 at 11 per cent. Interest due at the end of the Interest Period will be available upon sufrender to any of the Paying Agents

AMERICAN EXPRESS INTERNATIONAL BANKING CORPORATION As Fiscal Agent

The Pension Fund Property Unit Trust Summary of Statement by Mr. C. J. Baker

The yield on prime investment properties has shown remarkable stability during a period of considerable volatility in other markets. Prime property yields have fallen by about ½ per cent during the year and, supported by strongly rising rental values, property prices have risen substantially.

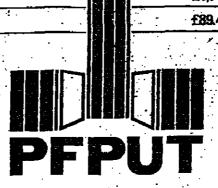
It is difficult to be positive about the prospects for the future. The pattern of rental growth may not be as buoyant as in 1978. On the other hand, interest rates may decline and there are insufficient properties available to meet the requirements of the institutions. The Trust's portfolio reached a value of £200 million towards the end of the year.

It is the first and the largest property unit trust and the pioneer of a movement with assets of about £1 billion. The average of the annual rates of return, capital and income combined, on the Trust's units for the period 1967 - 1978 was 11 per cent compared with 121/2 per cent from equities and 6 per cent from gilt-edged. For the period 1972 – 1978 the average return was 12 per cent compared with 8 per cent from

equities and 5 per cent from gilt-edged. There has been a much greater stability of return from property since 1967. All sectors of the portfolio appreciated in value during the year and the agricultural sector was outstanding with a rise of over 20 per cent. The Trust has decided, in conjunction with the Grosvenor International Group, to build up a modest investment portfolio in the United States, Copies of the Report and Accounts may be obtained from the Secretary,

73, Brook Street, London, W1Y 1YE.

Year to Year to Summary of results 25th March 25th March 1978 Property Investments at Valuation £153 m £177 m Total Net Assets £207 m £178 m £11 m £9m Gross income Units in Issue 120,337 116,143 £1,710 Fair Value of a Unit £1,525 Distribution per Unit £89.40 £84.00



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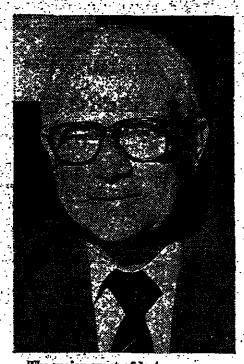
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Produce.

From the address by the Chairman, Mr S.J.L. Roberts, given at the Annual General Meeting of the Milk Marketing Board, July 1979

Farmers buy 16 Creameries



The major event of last year was mdoubtedly the massive vote in favour of the Milk Marketing Board in the referendum, which settled once and for all any doubts there may have been about the degree of support that the Board has smongst our 47,000 milk producers. A. 97.6 per cent torn out, with 99.5 per cent of those voting in favour, is a quite astonishingly resounding result and one which calls for and is receiving an equally determined response from your Board and staff. Owned, financed and supported as we are by the dairy farmers of England and Wales, we are resolved to prove that we are indeed worthy of such

Having gone through the process at the 1978 Price Review of obtaining EEC approval in principle to the continued operation of the UK Milk Marketing Boards and having obtained the approval of our producers in the referendum. we had to have a further EEC Regulation, spelling out the detailed rules for compliance with EEC Regulation 1422/ 78. I am pleased to report that after tough last-minute negotiations (beyond the proverbial eleventh hour) these hurdles now appear to have been

It may be tempting to assume that there have been no fundamental changes in milk marketing in the UK as we have become fully fledged members of the Community. Like many simple statements, this one is at best only a halftruth. The biggest change that producers: will notice in the Accounts is that we no longer have a guaranteed price.1978/79 was the first complete year in which the whole of producers' returns through the Board came directly from the market. Government have retained the power to influence farmers' incomes from the market through control over the retail price of liquid milk and the Green Pound mechanism, but the marketing operations of the Board now assume the all-important role in determining these incomes. This is an enormous increase in the Board's direct commercial responsibility to producers and cannot be passed off as a small change.

Producers' prices

Last year I said that we should be "feeling our way" in this new situation, and nowhere was this more the case than in the action the Board took over producers' prices themselves. Provisional prices were announced at the beginning of the year and then supplemented by a retrospective adjustment in November for the period April-September, plus an increase in the level of winter prices by the same amount. (0.093 ppl). A further supplement of 0.131 ppl will be paid with the July milk cheque, now that the Accounts for the year are available.

Under the old guaranteed price system the major uncertainty in calculating the schedule of provisional producer prices was the level of production in relation to the proportion of milk receiving the guaranteed price. The Board now have to contend with a situation in which returns both from the liquid and manufacturing markets can vary substantially during a year as a result of factors quite outside our control. For example, in making our calculations we have to try and anticipate policy changes by Government on the retail price of milk and on variations in the Green Pound. The effect of inflation. on the level of distributors' margins is another extremely hazardous factor to be taken into account as is speculation by our competitors in the movement of stocks ahead of possible Green Pound

In announcing provisional price schedules at the beginning of last year the Board were therefore well aware that they were taking some risk. Because of this and because of the need to be ableto finance increasing stocks of milk products the Board recognised the need to budget conservatively in their provisional prices. The aim was and is to pay out any accumulating surpluses to producers as quickly as is prudently pos-

sible. Our ability to make the two supplementary payments to which I have already referred shows. I believe, that this system worked quite well in its first year and we intend to maintain it in the cur-

During the year the Board looked again at their seasonal pricing policy, considering not only the continued need for such a policy but also the practical limits to it resulting from the operation of EEC Regulation 1422 and the much lower levels of liquid premium over manufacturing milk prices now existing. It was decided to maintain the differentials that exist in producers' prices between summer and winter. The Board are aware that their relative size has been reduced as the general level of milk prices has risen, but producers must realise that it would be difficult to widen them now. Nevertheless, we stand by our promise that these differentials will not be reduced in absolute size without good prior notice. Furthermore with the Board's new method of changing prices during the year, it is obviously possible to stick more closely to the intended seasonal price differentials.

Income from Manufacture

An outstanding and fundamental change in our situation in the last few years is the substantial increase in the proportion of our income which comes from the manufacturing milk market. For the first time in our history sales of milk for manufacture in 1979/80 may well exceed sales to the liquid market. This means of course that we rely increasingly on markets which are intensely competitive, in which returns are dependent on marketing strategy and in which to a large extent milk producers are the residual legatees when processing costs and the capital required in processing and stock holding has been remunerated.

Unlike the liquid milk market the greater the expansion into milk products markets, the larger the capital that will be required to be held in the form of stocks. For instance, the Board's Balance Sheet shows a large increase in 'Stocks' to almost £37 million which is almost wholly attributable to higher stocks of butter and cheese in the Board's Creameries Division.

This means in effect that producers have to carry more of their milk and therefore of their money in stocks of product. The system which I described earlier of budgeting prudently for the monthly prices and then making additional payments to producers as the year progresses and at the year end enables producers themselves to share actively in the financing of these extra stocks. In a sense a revolving fund is created from which producers are paid out completely at the end of each year. This is of course a method of finance commonly found in the running of some of the large continental agricultural co-operatives. Effectively producers' prices for the year are not affected, but by means of the revolving fund they are providing the working capital for the longer time period involved in the sale of their milk in the form of dairy products,

Unwelcome though this financial burden is, it has to be accepted as an inevitable consequence of the growth in manufacturing milk supplies and successful marketing of the products. As a feature the necessity to remunerate capital adequately will be underlined in future by the requirement of EEC Regulation 1422/78 (Article 9) to publish a separate detailed account for our Commercial Divisions and specifically to indicate an interest charge on the capital involved in working balances before the level of profit is struck. So far as the outcome for producers is concerned, this may be regarded as a book operation, but it serves as a reminder to them of these important points.

Distributive Margins

Producers have been very critical this year of the substantial lift which has occurred in distributive margins on liquid milk, made necessary by infiationary cost increases. As I have said: the uncertainty about these cost increases has been a major problem in forecasting producers' returns from this market. The Board as much as anyone else deplore the substantial increases that have had to be made in trade margins; they either cut into the producer price or reduce liquid sales, and this year they have done both. I draw attention to the facts on this, set out in Table 5 of the statistics in our Annual

Producers complain of the apparent injustice of a system which recoups costs in full to the distributor, whilst leaving them to carry a very large part of the inflationary burden, I have no doubt that there is room for improvement in the system. The Board are always ready to take part in any study or enquiry to this end. However, I am duty-bound to say to producers that, whatever the system of costings for trade remuneration, whether it is run by Government or by the industry itself, if we want to preserve the distributive rounds service and the high level of liquid sales that is associated with it, then we must be prepared to accept the cost, which will inevitably grow as wage rates rise. The system will not be maintained unless the capital invested in it is reasonably remunerated.

We ourselves operate five quite sub-stantial liquid milk distributive businesses, and we like to think that these are well run. These businesses give us the opportunity of examining at first hand the problems of this area of our industry. The Board's policy is to preserve the rounds delivery service as long as possible, as we believe that it is in the producers' best interest. I remind you that it is in fact one of the fundamental conditions of the EEC legislation for retaining the Board that we do preserve our liquid market.

Having said this, I am, and I want all producers to be, fully aware of the dangers that lie ahead. We now have the judgement of the European Court in the case brought by the French co-operative Union Laitière Normande to import UHT packaged milk into the UK for sale in shops and the Court has found in our favour. But the day cannot be far off when trade barriers will be dismantled by the EEC Health and Hygiene Directives.

Production Services

These changes and events will be the focus of continuing discussion and debate. I do not want the discussions about our industry and its future to neglect the changes taking place in our Breeding and Production Organisation. I drew attention last year to the fact that our industry almost as much as the chemical, fuel and oil and microelectronics industries is science-based and dependent on research. In this area the competitive struggle begins, and it is essential that every effort is made to ensure that producers have available the very best on-farm services that can economically be provided.

The evidence that producers them-selves are aware of this is contained in the increasing use which is being made of these services. Research in the breeding area continues, and increasing use is being made within AI of nominated services from both dairy and beef bulls. Producers have now received mastitis cell count data on their monthly statements for two years. The Board are planning also to improve the use of physical and financial performance records for individual businesses and for this purpose have brought together this year all services in this area under one management. The LCP and Milk Records services have accordingly been combined to form Farm Management Services. This will have two main arms: Farm Management Records (concerned with assembly and processing of data) and Farm Management Consultants, who will use the records in their advisory work. The increasing use that can be made of computer technology in this area is going to be a major point of development in the future, and it is an area in which the Board have the facilities and intend to be in the forefront of

Marketing **Developments**

An outstanding event in the marketing of milk will occur at the end of this month, when churn collection of milk from farms will finally cease and the entire milk supply of the country will be collected by bulk tanker. This has taken a long time to achieve, but we can say, having got there, that we are one of the first large European dairying countries to achieve this objective. Denmark became 100 per cent bulk in 1977 and the

Scottish Board areas before that. All other countries of the Community (with the exception of Belgium) still have some way to go.

The Board have in the past year spent a considerable amount of time reviewing the compositional quality payment scheme. The present scheme has served the industry reasonably well, but circumstances have changed substantially since it was introduced, particularly through the increase in both volume and price of manufacturing milk, and the Board considered that it was time for a fresh look at the subject. They have decided as a result of this study to introduce a system which relates producer payments more closely to the market returns for the individual constituents of milk and to bring this finally about will require a system of centralised testing. Part of the capital cost of this development will be met by a grant from the co-responsibility funds of the Community. There has been a lively and constructive public debate on these issues in the past year or so, and it is right that I should thank all those who have worked hard on it, The industry will not, in the near future at least, be changing its method of selling milk on a volumetric basis with formula. pricing for manufacture. Obviously however, it will be better placed to consider this in the future with the existence of a centralised testing service.

I have already made passing reference to the difficulties in marketing manu-

this year to achieve this end, including benefit to the milk producer. the introduction of a new brand 'Long Boat', which we hope will take its place

Creamery Capacity doubled

I come now to what I believe is the most important commercial act the Board have ever made: the decision to buy from Unigate Limited their butter, skimmed milk powder and hard-pressed cheese manufacturing creameries. In all, the Board will acquire 16 factories, together with a large part of the transport businesses attached to them. As a result of this decision the Board's own share of manufacturing milk supplies will double, we shall become the largest manufacturer of butter and skimmed milk powder in the country and the

In taking this decision, the Board have been influenced by a number of different considerations. With a much increased share of the manufacturing facilities for butter and cheese the Board will be able to plan more effectively the development of the industry and, in so doing, use some of their newly built capacity in existing factories more effectively. This will undoubtedly bring about economy in the industry as a whole, which is of great importance in the EEC situation where the producer

alongside 'Country Life' as a brand

major producer of hard-pressed cheeses.

Inevitably, there is a price that producers must pay to acquire these assets. The whole deal is going to cost the Board around £90 million. Rather more than half of this will represent the cost of fixed assets, with the remainder covering stocks and work in progress.

Basically the purchase of fixed assets will be financed by a loan repayable by the Board from the ploughed back profits of its existing and the newly acquired businesses over the next few years. The remaining part will be financed partly by short-term borrowings from the banks and partly by the use of the revolving fund which I described

This is, as I have said, by far the largest and most important commercial decision the Board have ever made. Obviously enough, there was no possibility of widespread consultation as there normally is with major decisions of the Board. The Board have had to take this decision on their own. They believe and indeed are confident, in placing their case before you, that the decision they have made, with all its widespread implications, is in the best interests of the future of our industry.

The Agricultural Industry

At this meeting last year I firmly drew attention to the value to the country of a. strong and expanding dairy industry. I pointed out that there were import savings amounting to between £200 and £300 million a year to be had and that unlike the position with North Sea. oil our agriculture would, if properly supported, always be with us and always be a source of vital strength to our

I was delighted, therefore, to hear our new Minister of Agriculture, Mr Peter Walker, strongly putting forward the same philosophy in a recent speech outlining his agricultural policy. I was equally pleased that Sir Hector Laing. until recently President of the Food and Drink Industries Council, made the same point when opening the Royal Show.

Both the Minister and Sir Hector also spoke of the importance of tightening the links between producer, manufacturer and retailer of food and of reducing the friction between these complementary groups. This determination to work together with our partners in the dairy industry has always been Board policy and we are determined to continue our efforts to achieve a better understanding with our customers, represented by the Dairy Trade Federation. Our interests are common and in the long run the success of each is, as Sir Hector said, dependent on the success of the other - and the consumer is perhaps the greatest beneficiary of all from a good working partnership between all sides of our industry.



butter and cheese, in the conditions of surplus in the EEC market. The effects of the ending of transition in 1978, of speculation by importers against Green Pound changes, of the chaotic situa-In the marketing of our dairy protion in the butter market in recent months brought about by the Commission proposal to raise the butter subsidy at the 1979 Price Review and by the introduction of the metric pack, are a relatively familiar story, and I do not intend to dwell here on the details. I do however again draw your attention to the increasing importance of returns from butter and cheese markets to the prices you receixe. for milk. Not only is the quantity of milk going into these markets increasing, but notwithstanding the chaotic state of such markets, the price obtained for manufacturing milk

more stable. In this difficult market situation the Board have run into problems over their desire not to sell more butter than absolutely necessary into intervention. To be forced to do so would be an absurd position for producers in a deficit area. Inevitably, we had to place some of our butter into intervention, but our long-term aim is to increase the market share of English packet butter sales, and we have made a number of decisions

is also being raised to EEC levels. This

is shown in Table 6 of the statistics. As

far as we are concerned, 1978/79 has

been a year in which we have been work-

ing off the delayed effects of the tran-

sitional steps to the full Community

system. We believe the future should be

Sampling curd quality in Cheddar cheese production at a MMB creamery.

price is dependent on returns from the manufacturing market.

ducts we have been very conscious of the handicaps that we suffer from as a result of a fragmented industry. The marketing of dairy products is now dominated by big units. An Bord Bainne handles all supplies of Irish butter sold in our market and much of the cheese. The Danes have a highly organised selling system. In the Netherlands, FRICO, the co-operative marketing organisation in Friesland has merged with DOMO, the principal co-operative in North Holland; in the south and east, DMV has announced a merger with COBERCO. In France the merger between ULN and Préval has created a mammoth group. The prospects for marketing British dairy products profitably are not good, unless we can match the efficiency of our competitors.

These are the immediate benefits to be gained from the acquisition of Unigate creameries. Others will accrue because the Board will have much more flexibility in allocating milk supplies; as a result we shall be able to implement more readily our policy for ensuring that milk is processed in plants situated in the best location and of the most

We shall also control most of the reserves of milk required to service the liquid market in the trough period and will thus be in a better position to do this, if the financial mechanisms now used should become less effective.

The Board also had to face the fact that Unigate has become less enthusiastic over financing the new capacity that we expect to need over the next few years to handle the growing volume of manufacturing milk. This is because they have found such investment to be less profitable than other ventures. Although this is indirectly a tribute to the effectiveness of the Board in negotiating manufacturing milk prices, it also means that the Board would in any event have been confronted with the responsibility of erecting more of the manufacturing capacity required in the years ahead. It will be easier and more efficient to do this from the enlarged base that we shall now have.

There are of course advantages for Unigate in this transaction. The company will be provided with considerable resources that it can deploy elsewhere in the organisation. This should enable it to strengthen its marketing activities and, in particular, to put more capital into the processing and distribution of liquid milk. Both will be of indirect

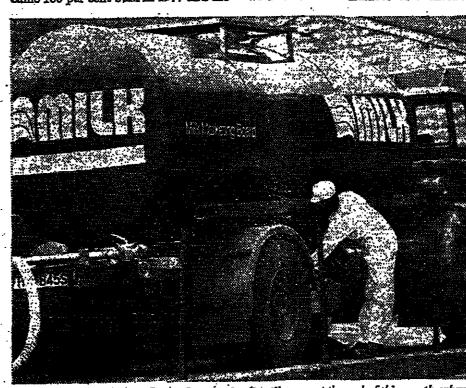
The Board and our Staff

To finish this address with a kindly comment for those who have helped us in the year and particularly to our staff may be considered by some to be a formality. On this occasion my Board have asked me to say a special word of thanks to those who worked so hard last winter to move milk in very difficult and trying circumstances due both to the weather and the general conditions of industrial unrest. In making this point, I believe I and the Board Members are expressing the genuine feeling of the vast majority of milk producers in all areas of the country, who felt themselves well served both by their own staff and that of hauliers and private companies. To the rest of our staff I repeat my thanks for their part in a year of achievement in which I hope we shall be proud.

Finally, perhaps I may be allowed a very personal word. This has been a stimulating but tough year for me personally. I have looked to my Board Members and my Vice-Chairman, Mr Charles Wharton, and Managing Director, Mr James Morton, more than usual for help and advice. I thank them all most sincerely.



Copies of the full address and the Annual Report & Accounts are available from: Public Relations, Milk Marketing Board, Thames Ditton, Surrey KT70EL Tel: 01-398 4101



"An outstanding event in the marketing of milk will occur at the end of this month, when churn collection of milk from farms will finally cease and the entire milk supply of the country will be collected by bulk tanker".

Fodens fails to improve and runs into loss

manufacturer, announces a maintenance. 2562,000 deficit for the full year The director Turnover was down slightly at with order books extending into £51.1m., compared with £52.8m. 1980.

The directors state that the main factors contributing to the poor results were a severe slowdown in exports to the Middle East, and a shortfall in sales of specialised vehicles before the company was ready with its new UK vehicle range designed to take advantage of a relatively buoyant home market.

Additionally, expectations of a second half improvement did not ary transport strike, losses in South Africa-mainly due to exchange differences—and high interest rates.

During the current year new model introduction costs will still affect results for the first half, the directors say, but there should be an improvement for the full year.

Pre-tax loss for the period was incurred after higher interest of E1.35m (E984,000) and was subject to tax of £257.000 (£328,000). Loss per 50p share is given as 36n (122n earnings) and the dividend is cut from 3.35p to

The directors say the dividend recommendation is made because the high cost development work trucks are ready to make a major on introducing new UK vehicles, advance in the UK market, and particularly the company's own manufactured cab, is now of some fail off in the market

ended March 31, 1979, against a record £2.84m profit last time, vehicle range is in great demand, yield of \$4 per cent backs up an £43.5m to £49.2m.

Production is moving steadily upwards they add. And the new \$10 cab, which was costly to introduce, is beginning to pay divi-

comment

Fodens figures give a sense of de ja vu. The p and I account is in the red, the immediate outlook come right. All it needs now is if Fodens is ready to swing out of the trough. The basic problems last year were that exports to the Middle East and central Africa had completely dried up and the last military contract was finished in late summer/early autumn leaving Fodens scrapping around for sales in the closing months. On top of that borrowings were running up and at the year end stood at £12m

against shareholders' funds of f10.8m. Middle East sales are showing some signs of reviving but more importantly Fodens believes that its new range of

the black by the year end, but the March 31, 1979, year behind. The directors say the UK marthe company still needs an at £1.36m against £1.54m preact of faith.

F. Tomkins falls in second half

is poor and yet the board remains SECOND half profits at F. H. confident that Fodens is going to Tomkins fell from £1.12m to come right. All it needs now is £933,993 leaving the taxable surfor a predator to ride over the plus for the year ended April horizon again. And that would 20 1979 down at £1.65m against not be surprising, for it looks as up from £15.7m to £17.9m.

At halfway profits had risen from £656,000 to £717,200 but the directors warned of continuing pressure on profit margins. Tax for the year was lower

at £530,287 compared with £931,237, and after minorities £5,250 (same) and an extraordinary debit £62,486 (nil), the available balance came through ahead at £1.05m against £836,618. Stated earnings per 5p share are 4.415p (3.31p) and a final

of 0.65p lifts the total dividend to 1.15p (0.9676p) net. A continuing difficult market for both fastener manufactur-ing and bright drawn steel was aggravated in the fourth quarter, virtually behind them.

and increased competition from which is normally the best, the Exports are still slow, and the Continent (due to over-directors state, by supply and although military vehicle recapacity there and the strong delivery problems arising from quirements are currently disappound). Fodens is only looking the national industrial unrest.

Hollis and ESA hit by strikes

FOLLOWING a slump at mid-way from £1.29m to £98,000. Fodens. commercial vehicles for winter road manages to do so it could be in Hollis Bros. and £.S.A. finished against £1.02m, taxable profits of Hollis Bros. and E.S.A. finished at £1.36m against £1.54m pre-viously. Turnover rose from

The directors explain that a major factor in the lower profit was the number of working days tost in the second half through strikes which affected trading in

three months out of the six. At midway profits were virtually unchanged at film (f1.03m), and the directors said they anticipated an improved result for the

full period. The dividend is stepped up to 4.6066p (4.4884p) net per 25p share with an unchanged final of 3.3086p. The directors say the increased

distribution reflects the confi-dence in the longer term view. Pre-tax figure was subject to tax of £399,963 compared with a low £52,113. The attributable balance came through at £920,469 against £1.36m after extra-ordinary debits of £39,376 (£132,316).

comment

Despite a slight downturn at the interim stage Hollis was forecasting higher full-year profits as late as January. In the event, the haulage strike and bottlenecks at the docks cost an estimated £350,000, producing a 32 per cent fall in second-half pre-tax profits. Some lost business has been asset to the conditions of the conditions are the conditions as the conditions are the conditions are the conditions and the conditions are the ness has been recovered but the trading pattern so far this year has been patchy with delays in Soviet shipments causing headaches. Sterling's strength against the Swedish crown should, however, offset any short-term supply ing stock to be converted.

BOARD MEETINGS

shown Delow ... year's timetable. TODAY

INTERIORS—Carinol Investment Trust, Glasgow Stockholders Trust, Lloyds: Bank, Tyneside Investment Trust, Indian Finals—Common Market Trust, Indian Services, Lymon Holdings, Nova (Jersey) Kn.t. Provincial Cities Trust, Wallis Fashion.

PUTURE DATES

City Offices July 25
Foreign and Colonial Inv. Tst. July 25
Vantage Secs. July 24
Finals— July 24 Arington Motor ... July 24
Beewn (B. F.) ... July 25
London and Gertmere Inv. Tst. Aug. 2
Praedy (Alfred) ... July 39

than twice and the yield is 12.2

COUNTRY AND NEW TOWN

More than 75 per cent of Conntry and New Town Properties 7 per cent convertible unsecured loan stock will have been converted by July 29. After that date the company, under trust deed, will require all outstand-

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not evallable as to whether dividends are intering or finals and the sub-divisions are house helper as heard marrie on lists. slow are based mainly on last

problems. Government spending cuts have cause a slight loss on ing aid side but this is slowly being made up by export orders and the school furniture division is operating profitably. At 63p, the stated p/e is 5.9. The higher is operating profitably. At 63p, the stated p/e is 5.9. The higher dividend is still covered more

A FURTHER fall in second half series of senior management have risen by 25 per cent to profits has left Negretti and changes have been made since £4.2m and, although a rights imbra with a taxable surplus March. And a product rationalisa issue has cut the loan capital, well down at £106.642 for the tion programme was defined conshort-term borrowings are 15 per year ended March 31, 1879, centrating on the micro-cent higher at £917,000. The against £253,170 on turnover up processor based products, which £335,000 cash sale of a plant from £9.39m to £11.28m. however, continued to achieve in Wilesden will help bolster hand the dividend is nearly their forecast growth.

And the dividend is nearly their forecast growth. halved at 1.92679p (3.63338p)

halved at 1.92679p (3.63338p)

Mr. Bob Ford, chairman, says. whereas most of the group's business sectors showed an imdivision at Aylesbury performeddominating trading poorly, profitability and adversely affect: Dividend ing cash flow which, with in Reusined Received reasin ginterest rates, further coats of

eroded pre-tax profits. July 25 eroded pre-tax profits.

July 24 Although there are several Profit.

July 25 sectors in which the directors extend Profit and Zambra (Aviabuty 25 sectors in which the directors extend) finished the year with pect to see improved per sales, profits and order books at formance in 1979-80; short-term record levels, he states. Sepkarn profitability will be dominated traded profitably in the second by the fortunes of this division, half, after a difficult start, and pending Mr. Ford says. Mr. Ford says.

The actions which have been taken to improve its performance

The chairman says, however, that the second half will show Disgruntlement at Equity Capital a considerable improvement and that this trend will then con-tinue into the early 1980s.

decision to pay a lower dividend is in the light of the earnings achieved and the need to conserve financial resources for the heavy investment programme. the chairman explains.

Negretti & Zambra profits

E E 11,276,919 9,391,605 1 376,622 496,279 ble 269,381 243,109 tax 106,642 253,179 8,852 51,195 97,790 162,005 bits 64,148 53,371 fit 22,213 11,233 cant uptirm.

entered the current year with a much stronger order book

comment

for Industry over Negretil & Zambra's deal with the NEB last year may by now have given way to relief. The group's Stated earnings per 25p share given way to relief. The group's have dropped to 3p (7.2p). The share price was at its lowes point of the year yesterday morning and dismal figures wiped off a further 14p, bring-ing it down to 45p. There is little doubt that the group has medium-term potential in the Mr. Ford says that because the micro-processing field, but in industrial division was not the meantime stringent financial making adequate progress a controls are required. Stocks

slide and dividend cut year. Order books are up by 44 per cent and micro-processor sales are expected to top fim in the current year, but this must be reflected in earnings by 1961, when the NEB is expecting its first dividend. Meanwhile, the stated p/e of 14.3 already anticipates a signifi-

Scottish Homes

On turnyer up from 23.5m to £1.18m, prestar profits of Scottish Homes Investment Company ad-vanced to £488,429 for the year epded March 31, 1975, against previous £350,920.

After the year's far charge of 183,083, against 166,131, earnings per 25p share are shown as 5.7p (4.03n) and the dividend is increased to 1.876p (1.5p) net with a 1.2p final



N.A.V. at 30.6.79 \$30.18 (DFIs6):20) YIKING RESOURCES INTERNATIONAL N.V.

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INFO PIETROD Heidring & Pierson N.V. Herengracht, 214, Amsterder

The Association of **Investment Trust Companies**

Ordinary 25p

Prefd. Ord. 25r

Cap. Shares 25p

Ord. & "B" Ord. 25p

Conv. Loan 1987

T. Management Lid. Berry Trust

Stockholders Investment Trust ..

G.T. Japan Investment Trust

Northern Securities Trust

Hambros Group
Bishopsgate Trust
City of Oxford Investment Trust...

Hambros Investment Trust

Rosedimond Investment Trust .

Lowland Investment

English National Investment

City & International Trust

Philip Hill Investment Trust

ndustrial & Commercial Fig. Corpn.

London Atlantic Inv. Trust

Philip Hill (Management) Ltd.

Henderson Administration Ltd.

Witan Investment ..

Do.

General & Commercial Inv. Trust Ordinary 25p

General Consolidated Inv. Trust... Ordinary 25p

Moorgate Investment Co. Ordinary 25p Nineteen Twenty-Eight Inv. Trust Ordinary 25p

North British Canadian Inv. Co.... Ordinary 25p

INVESTMENT TRUSTS: net asset values

The internation is supplied by the companies named, which as members of The Association of Investment Trust Companies. The figures, which are in pence except where otherwises lated.

	-												are anaudio		-9-190 Lt 179-1
Total Assets less current liabilities (1) £million	t ⁾	Shares or Stock	Date of Valuation (4)	Annual Dividend (5)	after dedu char at nominal	iset Value ucting prior urges l at market value (7)	Investment Currency Premium (see note g) (8)	Total Assets less current	ıt .	Shares or Stock	Date of Valuation (4)	(5)	after ded ch at nomina value (6)	(7)	Corrency f Premium (see note g (8)
	VALUATION MONTHLY	35-	22.00 000		except where				Ivory & Sime Limited	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 00 10 170	Pence (except where	£ stated (se	e nôte d)
150.1 84.2	Alliance Trust	Ordinary 25p	29/6/79 29/6/79	8.0 3.8	278.9 128.4	287.0 134.1	7.8 3.5	106.S	Atlantic Assets Trust	Ordinary 25p	29/6/79 29/6/79	2.8	91.5	96.8	3.7
125.6	British Investment Trust	Ordinary 25p	29/6/79	3.8 5.7	188.7	134.1	5.0	, ; i	Edinburgh American Assets Trust	t: Ordinary 25p	29/6/79	†	†	1	J. 35
27.0	'Capital & National Trusti	, i Ord. & " B ~ Ord. 25p	30/6/79	*4.6	171.1	173.9	4.2	16.3	Viking Resources Trust		29/6/79	1.32	145.8	145.8	5.3
12.3	Claverhouse Investment Trust	. Ordinary 50p	29/6/79 29/6/79	4.4	123.1	123.1	0.1	12.2	Keyser Ulimann Ltd. Throgmorton Secured Growth Tst.	et Conital Loan Stock	30/6/79	·		184.2	†\##.7 <u>2</u> %7%
16. 1	Dundee & London Investment Trust	t i Ordinary 25p	29/6/79	2.6	88.7	90.3	1.4	51.2	Throgmorton Trust	Ordinary 25p +	30/6/79	4.875	112.1	114.0	
‡97.5	Edinburgh Investment Trust	. £1 Deferred	29/6/79	7.8	307.9	322.7	5.5 3.5		Kleinwort Benson Ltd.		30/6/79	1.85	55.4	56.5	Alexander
43.2 12.8	First Scottish American Trust	.¦Ordinary 25p	29/6/79 29/6/79	3.15 2.4	120.2 113.2	122.2 117.3	1.7	23.8 23.0	British American & General Trust Brunner Investment Trust	Ordinary 25p	30/6/79	4.0	137.8	140.6	10 29
71.4	Great Northern Investment Trust i	Ordinary 25p	30/6/79	4.5	. 139.4	142.0	2.3 2.0	33.1	Charter Trust & Agency	Ordinary 25p	30/6/79	2.45	76.3	78.5	1.5
59.9 31.6	Guardian Investment Trust	. Ordinary 25p	29/6/79 30/6/79	3.15 *4.584	110.1 x95.4	114.8 x98.7	2.0 x0.6	42.6 5.4	English & New York Trust	Ordinary 25p	30/6/79 30/6/79	3.0 4.6	102.4 122.2	103.9 122.2	1.5 2.2 0.2
77.8	Investors Capital Trust	. Ordinary 25p	29/6/79	2.3	97.6	103.0	3.7	3.4	Jos Holdings	Ordinary, 25p.	30/6/79	2.375	69.9	69.9	0.5
16.7 35 0	Jardine Japan Investment Trust!	Urdinary 25b	30/6/79 30/6/79	1.0	14L1 155.2	141.1	21.0	7.1	London Prudential Invest. Trust	Urdinary 25p	30/6/79	3.45	112.7	115.5	1.9 2.5
35.9 24.8	London & Holyrood Trust	. Ordinary 25p	30/6/79	4.2 5.9	155.3 250.1	158,9 254.3	4.3 7.3	51.4	Merchants Trust Lazard Bros. & Co. Ltd.	!	30/6/79	3.0	95.4	98.8	2.0
47.0	London & Provincial Trust	. Ordinary 25p	30/6/79	3.95	145.8	148.5	4.3 0.9	150.2	Raeburn Investment Trust	Ordinary 25p	30/6/79	4.05	166.1	172.6	4.5
115.4	Mercantile Investment Trust	Ordinary 25p	29/6/79 29/6/79	1.7 £4.50	x58.1 £88.10	62.3 £93,40	£1.40	‡38.3	Romney Trust	Ordinary 20b	30/6/79	3.0	121,3	123.8	3.9
	North Atlantic Securities Corpo i	. ¡Ordinary 25p	29/6/79	3.07	118.3	121.1	3.2	11.4	Canadian & Foreign Invest. Trust	Ordinary 25p	30/6/79	-42	151.2	155.1	3.8-
51.4	Northern American Trust	Ordinary 25p	29/6/79 29/6/79	3.05	129.5 162.4	132.7 162.4	4.0	96.2	St. Andrew Trust	Ordinary 25p	30/6/79 30/6/79	4.9 2.4	84.3	87.3	2.9
7.7 ‡126.9	Scottish Investment Trust Scottish Northern Investment Trust	Ordinary 25p	29/6/79	3.0	129.2	133.2	3.2	23.7	Scottish Ontario Invest. Co	Ordinary 25p	30/6/79	2.4	83.1	84.5	2.9
60.5	Scottish Northern Investment Trust)	Ordinary 25p	29/6/79 30/6/79	3.8 1.5	144.0 76.6	152.0 79.1	3.1	55.3	Scottish Ontario Invest. Co	Ordinary 25p	30/6/79	7.05	225.9	.244.6	7.1
103.0 49.5	Scottish United Investors	Ordinary 25p	29/6/79	6.3	238.1	246.0	6.8	‡45.5	Murray Johnstone Ltd. Caledonian Trust	Ord & "B" Ord 25p	30/6/79	*1.85	-99.4	- 102.9	44
38	Shires Investment Co	Ordinary 50b	30/6/79	9.7336	151.9	151.9	6.4	‡67.0	Clydesdale Investment Trust	Ord. & "B" Ord. 25n	30/6/79	*1.9	94.5	97.3	4.1
42.0 28.7	Sterling Trust Technology Investment Trust	Urdinary 25a	29/6/79 29/6/79	6.3 3.1	235.9 143.0	242.4 144.2	3.8	16.5 6.8	Glendevon Investment Trust Glenmurray Investment Trust	Ord. & "B" Ord. 25ni	30/6/79	*1.85 *1.95	122.1 101.3	124.4 101.3	5.2 3.7 3.4
÷	United British Securities Trust	. Ordinary 25p	30/6/79	i i	†	+	† {	‡75.1	Scottish Western Investment Co.	Ord. & "B" Ord, 25p	30/6/79	*1.7	78.9	82.3	3.4
22.0 \$5.8	United States & General Trust	Ordinary 25p	29/6/79 29/6/79	6.83 4.05	261.1 117.4	268.0 121.8	6.4 3.2	‡25.1	Second Great Northern Inv. Trust	Ord. & " B " Ord. 25p	30/6/79	2.25	108.6	112.1	4.9
85.8	; Do. Do	Conv. Loan 1993	29/6/79	£5.00	£129.20	£134.00	£3.50	21.6	Schroder Wagg Group Ashdown Investment Trust	Ordinary 25p	29/6/79	4.6	184.5	190.8	5.8
	Baillie Gifford & Co.	1 !	30/6/79	3.9	142.8	1.45.2	1 00 1]	Do. Doi	Conv. Loan 1988/93	29/6/79	1 £4.75	£129.20	£133.60 109.3	£4.10
121.8 61.5	Scottish Mortgage & Trust		30/6/79	1.85	65.8	145.3 66.5	3.6	6.6 ‡29.2	Australian & International Trust Broadstone Investment Trust	Ordinary 20n	29/6/79 29/6/79	3.0 5.7	109.3 197.0	109.3 294.5	6.0 6.7
16.4	Winterbottom Trust		30/6/79	5.6	262.3	275.1	6.8	52.2	Continental & Industrial Trust	Ordinary 25p	29/6/79	7.2	278.9	288.7	4.2
42.9	Baring Bros. & Co. Ltd. Outwich Investment Trust	Ordinary 25p	12/7/79	1.9	73.7	77.2	1.4	29.2 13.4	Continental & Industrial Trust Trans-Oceanic Trust Westpool Investment Trust Do. Do.	Ordinary 25p Ordinary 25p	29/6/79 29/6/79	5.5 3.8	228.7 140.2	234.3 143.4	8.4 4.6
22.1	Tribune Investment Trust		30/6/79	1.3	87.5	87.6	3.0	1	Do. Do.	Conv. Loan 1989/94	29/6/79	£5.00	£126.10	£129.10	£4.20
18.6	City Financial Administration Ltd. "Investing in Success" Equities.	Ordinary 25p	12/6/79	3.35	235.3	238.0	10.4	75.3	Stewart Fund Managers Ltd. Scottish American Investment Co. (· •	30/6/79	2.95	116.1	117.7	1
	East of Scotland Invest. Managers		1	1			{	13.8	Scottish European Investment Co. C	Ordinary 25p	30/6/79	2.95	53.1	53.1	2.3 1.3
45.4	Aberdeen Trust	Ordinary 25p	29/6/79	3.567	125.9	132.3	2.5	7	Touche Remoant & Co. Atlas Electric & General Trust (1		1	: - <u>-</u> : [N	
61.2	American Trust	Ord. & " B " Ord. 25p	30/6/79	+1.55	60.2	62.2	1.4	110.3 32.9	Bankers' Investment Trust (Ordinary 25p	29/6/79 29/6/79	2.25 2.87	88.5 77.9	91.4 82.7	1.2
16.7	Crescent Japan Investment Trust (General Scottish Trust	Ordinary 50p	30/6/79 30/6/79	1.3 4.0	174.S 119.5	174.8 121.9	8.9	32.4	Cedar Investment Trust	Ordinary 25p	29/6/79	2.75	92.1	94.5	1.3 - 1.3
13.7	l Do. Do	Conv. Loan 1995/2000	30/6/79	£5.50	£151.80	£154.80	£2.70	45.2 30.4	City of London Brewery I Continental Union Trust	Ordinary 25n	29/6/79 29/6/79	2.76 4.25	87.1 161.3	91_3	0.3
8.5	Wemyss Investment Co		30/6/79	12.5	379.3	379.3	8.5	16.1	C.L.R.P. Investment Trust	Ordinary 25p	29/6/79	2.1	96.3	166.8 100.6	3.3 1.5
77.9	Electra Group Services Ltd. Electra Investment Trust	Ordinary 25p	29/6/79	5.8	152.5	152.5	2.3	187.6 41.6	International Investment Trust C	Ordinary 25p Ordinary 25p	29/6/79 29/6/79	2.15 2.94	77.0	79.3	1.3 1.3
287.6	Globe Investment Trust	Ordinary 25p	29/6/79	5.6	165.8	166.0	3.0	55.2	Sphere Investment Trust	Ordinary 25p	29/6/79	4.0	105.5 163.8	110.9 168.2	3.1
39.1	F. & C. Group	Ordinary 25p	29/6/79	5.5	130.0	132.4	0.6	70.3 38.2	Trustees Corporation	Ordinary 25p (29/6/79 29/6/79	4.85 2.1	212.8 78.0	218.3 80.1	2.5 1.1
20.4	Alliance Investment Co	Ordinary 25p	29/6/79	3.75	148.1	152.4	2.7	i ly	Williams & Glyn's Bank Ltd.	ή.			<u> </u>		36
23.6	Do. Do	Deferred 25p Conv. Loan 1985/87	29/6/79 29/6/79	3.4 £6.00	124.8 £134.80	128.8 £139.10	.2.4 £2.50	\$12.6 2.7	Sizewell European Invest. Trust C Atlanta Baltimore & Chicago C	Ordinary 10p	30/6/79 30/6/79	1.8 0.75	96.3	96.3	20
**************************************	F. & C. Eurotrust	Ordinary 25p	29/6/79	†	1 ÷ {	{ † {	t 1	3.3	West Coast & Texas Regional	Ordinary 10p	30/6/79	1.1	63.4 77.9	63.4 77.9	1.2 2.1
189.8 30.2		Ordinary 25p	29/6/79 29/6/79	2.2625 4.5	112.4 155.7	116.8 159.9	3.2	· [.	VALUATION THREE-MONTHLY	1					
	James Finlay Inv. Management Ltd.	1	1	i	[1 29010	: {	2.4 L	Lancashire & London Inv. Trust C	Ordinary 25p	30/6/79	2.0	60.4	60.4	
₹ ;	Provincial Cities Trust	Ordinary 25p	30/6/79	Ť	† †	, † ;	f l	8.8 -∤0	Oil & Associated Investment Trust O	Ordinary 25p	30/6/79	2.0955	84.9	85.9	2.3
7.1	Altifund Ltd I	Income 50p	30/6/79	10.0	102.3	102,3	. - _	110.7 R	Rothschild Investment Trust ()	Conv. Loan 1988/93 Ordinary 50p	30/6/79 29/6/79	£6.25 9.0	£191.00 -	£193.30 350.2	£5.20 2.7
26.2	Do. Do	Ordinary 25p	30/6/79 30/6/79	0.5 1.9	288.6 64.6	288.6 67.1	1.3 1.4	13.1 IS:	Safeguard Industrial Investments O Scottish & Mercantile Inv. Co O	Ordinary, 25n	29/6/79	4.0	111.9	113.5	971 -
28.9	→ English & Scottish Investors C	Ord. & "B" Ord. 25n	30/6/79	*2.65	108,1	113.6	1.3	9.3 S	Scottish Cities Investment Trust ()	Ord & "A" Ord 95ml	29/6/79 30/6/79	3.36739 8.75	176.0 279.8	176.0 280.9	0.2 1.1
8.0 5.4	Group Investors	Ordinary 50p	30/6/79 30/6/79	1.9 §1.0	92.5 91.0	96.0 95.7	1.6 2.3	18.0 !Y	Yeoman Investment Trust	Ordinary 25p Conv. Loan 1993	30/6/79	8.625	264.5	268.7	2.2
10.7 24.1	London & Lennox Invest, Trust C	Ord. & "B" Ord. 25p	30/6/79	*2.0	70.4	72,7	2.3 1.8	S.6 Y	Young Companies Investment Trust (O	Ordinary £1	30/6/79 29/6/79	£4.50 4.2	£145.50 131.9	£147.86	£1.20
11.4	London & Lomond Invest. Trust C London & Strathelyde Trust C	Ordinary 25p Ordinary 25p	30/6/79 30/6/79	2.8 1.6	107.1 61.7	109.S 65.6	2.1 1.7	E	East of Scotland Invest, Managers	· 1.			. ś		
13.9	Meldrum Investment Trust C	Ordinary 25p	30/6/79	2.1	68.9	65.6 68.9	0.1	31.3	Dominion & General Trust O Pentland Investment Trust 0		31/5/79 31/5/79	8.5 4.65	261.0 168.2	270.6 172.7	13.8
71.3	Gartmore Invest. (Scotland) Ltd. Scottish National Trust	Ordinary 25n	30/6/79	3.9	197.5		1	R	Rivermoor Mngt. Services Ltd.					172.7	9.3
17.9	Glasgow Stockholders Trust O	Ordinary 25p	30/6/79	3.9 2.85	197.5	201.2 145.2	6.0 4.7	86.0	London Trust	Jeferred 25p Conv. Loan 1985/87	29/6/79 - 29/6/79		ac149.5 ac£174.90	ac153.1	207.4
84.2	John Govett & Co. Ltd. Border & Southern Stekhldrs, Tst. O	Ordinary 10n	29/6/79	1.7	81,5		I -							acf179.10	ac£2.80
12.5	General Stockholders Inv. Trust ()	Ordinary 12kp	29/6/79	2.3	151.2	83.0 162.4	2.2 5.9	NOT	TE: The figures in this table do not t	take account of the r	elaxation of	exchange cor	itrols on issi	es denomin	fiete
‡16.6	Govett European Trust 0 Lake View Investment Trust 0	Ordinary 25n	29/6/79 29/6/79	1.8 3.0	75.6 127.7	75.6	3.5 3.5	111 C/	EC currencies and changes in foreign	n currency lean regu	ilations intr	oduced with e	ffect from 1	9th July 197	9.
61.8	Do. Do	Conv. Loan 1973/98	29/6/79	£±00	£170.30	131.5 £175.40	£4.60			- 1	aring taging				
					1000										

129.8

£135.60

195,1

£120.90

277.3

106.8

147.7

133.0

123.6 107.6

132.9

\$0.0 37.9

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108.6 132,9

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121,4

252,8 124.8

*Applies to Ordinary/"A" Ordinary only, it Company (b) Cols. 1, 6, 7 All revenue, account items are (f) Cols. 5.7 Prior charges are deemed to include will announce year-end or interim results shortly.

It Change in the prior charges since the previous (c) Cols. 1, 6, 7 All revenue, account items are (f) Cols. 5.7 Prior charges are deemed to include excluded.

It Change in the prior charges are deemed to include excluded at dividend at dividend state of rights are conversions.

It is an account has been taken of any (g) Col. 8. The amount per share/stock unit or institute disposal investment currency premium periods which might arise on future disposal investment.

Amounts per share/stock unit or per life in account in the prior currency premium period in the prior currency premium after taking into (s) Col. 5.8 to nearest one-tenth of a penny or share and 10p per share disposed in the way which produced is the last declared ented as fully convertible stocks are treated as fully convertible stocks is stated gross of income characteristics. Convertible loan/professore stocks are treated in the way until produces. The Jover n.a.v. per share. Convertible stocks are treated as fully converted at the rate for the next, conversion time or where a figure is marked " as prior charges; warrants or subscription rights are treated as preserviced.

The Investment Trust Year Book 1979

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±62.8

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21.5 \$7.1

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4.9

VERSELS

GAST . San Bridge ***********

Prount

Call Garage

MORE GOOD gold mining pro- Now getting into its stride, the fits, this time from the mines new Etandsrand gold mine has in the Angle American Corpora- earned its first quarterly profit tion group bring to a close the However, planned production for South African quarterly report- 1979 has been reduced to 800,000 lines against 1979 lines ag

groups, the Auglo profits have been boosted by an increase of about \$20 per ounce in the gold perfect prices received while unit costs rate, have been well contained.

Group production does not appear to have been unduly affec-ted by the technical officials goexcept in the case of Vaal Reefs which lost output of 250 tilogrammes worth

R800,000 in operating profit.
GOLD PRICE RECEIVED (R per kilogramma S per capte)

	Quarter ended
	un B 30 - Mar. 31.
ERGQ	R6,916 - R6,503
mager iberirgering "	(\$254) (\$2'
	R7,126. R6 733
	(\$262) (\$24-
F.S. Geduld'	H7.022 R6.522
	(\$259) (\$22R).
	R7.040 R8.528
	(\$259) - (St
	(\$258). (\$23¢
	R7.018 R6.543
	(\$258) . /*
S.A. Land	PF 999 R8 606
	462 53).
Vaai Reels	
	R8.519
	(\$259)
Welkom	R7.038 R6.538
	(\$258) (\$238)
Western Deap	R6,956 R6,578
	(\$256) (\$241)
Appress tiled?	
	(\$259) (\$237)
The outstanding	net profit in-

The outstanding net profit in-crease of 59 per cent to R36.7m (£19.4m) in the past quarter has een achieved by Western Dep. A reduction in uranium revenue has ben far outweighed by the benefits of increased gold production, lower costs and a fall

Western Deep also states that the extension to its uranium missioned in the first quarter of 980 instead of the beginning of group mines are compared in the following table. The latest quarterly royalty payable by Vaal Reefs to Southvaal is unchanged at R13.7m

penditure.

Latest dividends

Two of the Anglo group mines

also announce sharply increased

payment to 190 cents (100p)

which compares with 100 cents a

year ago and the subsequent 1978 final of 180 cents.

Western Deep's interim is lifted to 95 cents; last year a pay-

ment of 65 cents was followed by one of 821 cents. After having

a 25 cents payment in December, the veteran South African Land

Goldsworthy's

The added life expectancy of

the mine provides some leeway in the search for new capital,

presumably from Japanese sources, to open up Area "C." For a number of years it has

been hoped that Area "C" oper-

ations would follow on directly

the closure of the existing mine.

The Goldsworthy partners are led by Consolidated Gold Fields,

which holds 46.6 per cent. Utah Development holds 33.3 per cent. MIN Holdings has 20 per cent.

the likely extensions of the mine's operations. The first is

that annual shipments have been reduced to meet the lower demands of the Japanese steel

mills. The second is that addi-

the knowledge that it would have

Meanwhile the attempt to ex-

to be written off by 1979-80.

MINING BRIEFS

CONZINC RIOTINTO MALAYSIA-Sri

site have been uncovered.

Two main factors are behind

longer life

hausted by 1981.

June Dec. June Dec. 1979 1978 1978 1977 cents cents cents cents cents "nil nil *25 20 *20 25 *nii nil *190 180 *100 80 *95 32*2 *85 47*2

is paying a further 20 cents.

onnes grading 5.6 grammes As with the other mining gold, from im tonnes grading 6 grammes, because of sheft availability and the slower than expected build-up of the stoping

> A better performance has been achieved at the OFS mines' Joint metallurgical scheme, in-creased production having re-sulted in a profit of R14.2m compared with R8.9m in the

March quarter.
The East Rand Gold and Uranium (Ergo) dumps retreatment operation has also had a better quarter with production improving above target levels to its best so far. Ergo has paid East Daggafontein R25,000 for first refusal to purchase the lat-ter's three slimes dams and is

en EASTRSTE	mem.	
	June . March.	Dac.
	R000 _ R000	R000
_ : _ : '	gtr. gtr.	qtr.
East Dagga:		. #4
ERGO	8.621 8.027	. 3,612
Elonstend	408 7790	_
F.S. Geduld	24.537 21.312	21,493
F.S. Sasipleas		
Pres. Brand		15,990
Pres. Steyn	16,610 11,276	7 040
S.A. Land	#402 #1,101	
Vani Reefs		70 17
		70, 12
W. Deep ,,		22,639
W. Holdings	16 256 13,904	11, 74
	et surplus include	
	AT AA L A 10000	

Apart from the veteran South African Land and Exploration, all the group mines report good increases in their June quarter net profits. In the case of Presi-dent Brand, however, this has only ben achieved by dint of a tower tax charge; the mine's gold surplus last quarter was checked a fall in ore grade and a rise

Quarterly net profits of the

12.93%

13.64%

14.36%

14.79%

15.07%;

15,07%

PORTSMOUTH

BUILDING SOCIETY

Notice is hereby given in accordance with the

Society's Rules that as from 1st August, 1979 the

on the various types of investment account:-

10.35%

19.55%

shares will increase by 0.75% net. Rates paid on accounts

subject to basic rate tax will be increased by 0.75% o.a.

Interest rates paid on discontinued previous issues of period

Monthly Income Shares 9.05%

6 Month Term Shares

2 year Period Shares

3 year Period Shares

4 year Period Shares

Subscription Shares

CROSBY

INTERIORS

SPRING

following rates of interest per annum will be paid....

9.05% Equivalen

9.55% (where

10.05% income tax

10:55% rate of 30%

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Strike threat averted

damaging dispute on South Africa's gold and coal was averted yesterday when technical officials backed down from calling a strike ballot, reports Quentin Peel from Johannesburg.

because of increased capital ex-A joint statement issued by Vaal Reefs also penditure. Vaai neers also announces that approval has been Chamber of Mines and the South African Technical received for some 53 hectares of Officials Association-representthe north-eastern part of the mine's lease area to be mined by ing 2,100 hoist drivers and Hartebeest; the latter will rereduction workers — said the ceive 61 per cent of earnings two sides had agreed on the same 10 per cent pay rise minimum rates accepted by

other officials' organisations. The climbdown by the Association followed a hard-line stand by the Chamber, which interim dividends which are much in line with expectations. Vani Reefs is boosting its 1979 in deadlock being by a conciliation resulted declared board. The Chamber refused 10 go to arbitration.

Last month, a work-to-rule by the officials in support of their claim for a 16 per cent across the board caused production losses at several mines, including a loss of some R800,000 (£423,000) in profit at Vaal Reefs.

The settlement represents a further victory by the Chamber in its tough response to union militancy, following the col lapse of the white miners stoppage earlier this year.

Denison lifts earnings

DENISON MINES, uranium THE joint venture partners at which has branched out into oil the Mount Goldsworthy iron ore operation in Western Australia reported a first-half net income now expect the mine to continue C\$29.4m (£11.1m), or C\$1.61 working until sometime in 1982. It had previously been thought a share, against C\$26m, or C\$1.43 a share, in the 1978 first would be exhalf, writes Robert Gibbens from Montreal.

The earnings per share figures take into account a four-for-one share split last February. Gross revenue was C\$151.6m in the six months to June, compared with CS121.7m in the same period of

The company attributed its higher earnings to increased revenue from oil, gas and uranium. The discount on the Canadian dollar "had a beneficial effect on earnings," it said.

Jacques Borel cancels London listing

Jacques Borel International tional pockets of ore at the mine the French hotel and catering company still struggling to reduce its losses, has had its offi The nime is generating a positive cash flow and is not a drain cial London share listing can on the purse of Gold Fields, celled at its own request.

The Stock Exchange said the which, over the years, has been depreciating its book value in

cancellation took effect yesterday The latest quotation was £11? Dealings will still be possible however, under rule 163 (1e) tract firm orders and a finan-cial commitment for the develop-ment of Area "C" from the Japanese steel mills continues. Was forthcoming from Borel, The pace of the discussions seemed to quicken in the spring which lost nearly FFr 90m (£21.4m) last year, it is believed that the company felt the thin but they have reached no firm

level of activity in its shares in the UK did not justify the ex pense involved in a continued official listing. The shares were introduced to the London market in mid-1974 when the group was still thriv-ing. M. Jacques Borel himself stepped down as chairman inst

over two years ago after mount-ing losses had tarnished the stock's one-time glamour status

RESULTS AND ACCOUNTS IN BRIEF

in Paris.

RESULTS AND ACCOL

BROWN AND TAWSE (steel and tube stockholder and engineer)—Results for year to March 31, 1979, reported June 19. Group fixed easets £10.93m (£5.99m), net current easets £10.93m (£10.15m). Net cash belances decreased by £0.26m (£2.19m increase). Charman asys prospects for sale and hire of hydraulic plant and equipment appear to be favourable. Group has considerable financial resources and strangth is such that he fests confident in outcome for current year. Moeting, Dondee, August 8, at moon.

JOHN BROWN AND COMPANY (nas turbine, engineering) — Results for March 31, 1979 year and prospects reported June 30 in full preliminary statement with balance sheet figures. On C.C.A. basis, pre-tax profits reduced to £22.77m (£25.54m) compared with historical £28.37m (£22.7-Meeting: The Sanctuary, Svi.

CHAMBERIAM PHIPPS—Results to year to March 31, 1979, already recycled. Fixed assets, C7 65m (15.55m). Net current essets, £5.97m. Meeting, Nichem Ferrers, Northents., August 9 at 2.20 pm. (ES. 2m). Meeting, Kichem Ferrero, Northents., August 9 at 2.20 pm.

SRITISH TAR PRODUCTS — Results for year to March 31, 1973, shready reported. Fixed assets, ES.95m (£4.1m). Current assets, £7.05m (£3.87m) and liabilities £5.02m (£3.1m) including secured bank overdrait, £1.87m (£25,000). Chairman is confident about current year. He is shortly to retire as chairman and will be succeeded by Mr. F. W. Buckley. Myoning. Cale Rovel, W. Aurust 8 at roon.

JOHN EMSLEY (subsidiary of hillingworth Morris and Co.)—Profit £8,112 (£135,130) in year to March 31, 1979, before tax of £18,825 (£28,555).

SALTS (SALTAIRE) (aubsidiary of tillingworth Morris and Co.)—Profit £23,000 (£33,000) in year to March 31, 1979, before tax of £18,000 (£30,000).

S. SCNEIDERS AND SON (subsidiary of Hillingworth Morris and Co.)—Profit £25,362 (£146,865 loss) in year to March 31, 1979, before tax of £18,000 (£4,281).

WINTERBOTHAM STRACHAN AND PLAYME (subsidiary of Hillingworth Morris and Co.)—Profit £25,000 (£196,000).

WINTERBOTHAM STRACHAN AND PLAYME (subsidiary of Hillingworth Morris and Co.)—Profit £1,64m) in year to March 31, 1979, before tax of £135,000 (£125,000).

WINDLOOMBERS (HO-DIMGS) (subsidiary of Hillingworth Morris and Co.)—Profit £125,000 (£136,000).

in year to March 31, 1979, before tax of E354.0°D (£125.0°D).

WOOLCOMBERS (HOLDINGS) (subsidiary of lineworth Mortis and Co.).

Profit £1.44m (£1.71m) in year to March 21, 1979, before tax of £10.0°D (£306.0°D). Not dividend 7.8915p (£9868n).

CINITAR'S STORES—Results for £2.1°D (£9868n).

CINITAR'S STORES—Results for £2.1°D (£9878n).

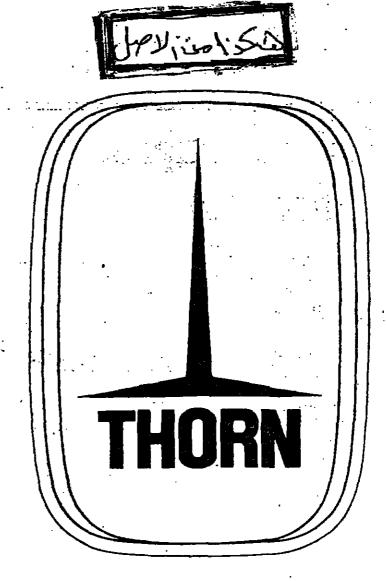
CINITAR'S 1979 year already known.

Fixed assets £4.2m (£4.0°M) net current assets £4.2m (£4.0°M), net current assets £4.0°M, net current assets £4.0°M, net current assets £4.0°M, net current assets £5.5°M, neady subsidiary would be early and fixed March 31, 1979, already monoted. Groupt fixed assets, £5.5°M (£1.8°M). Net current assets, £5.5°M (£2.6°M). Chairman saws group his experienced strong demand both at home and shroad, undrinted callulose £6m expecielly. Meeting, Cale Royal, July 24 at 12.7m cm.

CUREDIPD AND SMELL (electrical and electronic engineer)—Turnover for year to Meeth 31, 1979, 2007 (£1.8°m).

CLIEFIPP AND SMEL (electrical and electronic engineer)—Thronover for year to Merch 31, 1879 F.03m (F1.8m) Profit F111 310 1899,674) wher tax of 176.279 (F16.671). Farnings per 50 there 7.248 11,984). Final net dividend 0.3855 meling 0.720 10.8050), net and final not less than 3.50 (3.050) forested widend 1.50 (same), net and final not less than 3.50 (3.050) forested. Estimates per 250 share 250 (7.150) Not revenue Est 824 (7.150). Ster lay—overtheas F1.707 (7.1271). Cornoration lax F5.081 income f188.877 (f171.871) Not sevenue tax F5.081 income f188.877 (f171.871). Not sevenue f189.877 (f171.871). Not sevenue f189.877 (f171.871). Not sevenue f28.871 Not sevenue f189.877 (f171.871). Not sevenue f28.871 Not sevenue f189.877 (f171.871). Not sevenue f28.871 No

Changally Green income f7 Am in 99ml for aix morths ended June 30, 1979. As known, interim dividend is 19 (0 9n) net. Net assets f65 Rem (082.65m) or 116.1p (112.1p) per share.



Thorn Electrical Industries Limited Report 1979

The following are extracts from the annual statement to shareholders made by the Chairman, Sir Richard Cave, and from the accounts to 31st March, 1979 copies of which will be posted to shareholders in early August.

The Year's Results

The financial outcome of the year to 31st March, 1979 might be described as "just satisfactory" but not as good as we had hoped for 12 months ago.

External turnover for the year amounted to £1,208.1 million and profits before taxation were £118.1 million. Earnings per share were 55.1p compared with 52.1p for the previous

The results bear out the warnings given in my Interim Statement in January that the level of trading in the second half of the year would be disappointing. Since that time we have also experienced the disruptive effects of an unusually severe winter in addition to the problems in the movement of goods and supplies resulting from the road haulage dispute. None of these short term problems has lessened our resolve to encourage continued investment in capital equipment to the level required for the future to meet the demands of new technologies and match the efficiencies of our formidable overseas competitors.

We are progressively laying the base of a much expanded international business particularly in our television rental subsidiaries and selective acquisitions in engineering.

We have acquired a majority shareholding in Locatel, a substantial French company with 179,000 rental customers. This acquisition is subject to Government approval.

We have recently announced an agreement to acquire Systron Donner Inc., a California based instrument and measurement business.

Financial Matters

The company's strong cash flow resulted in an overall improvement of £27 million in our liquid position during the year.

Summary of Results fo	r 1978/79	1977/78
External Turnover	£1,208.1m	£1,091.9m
Profits before tax	£118.1m	£110.3m
Earnings per share	55.1p	52.1p
Ordinary dividends per 25p share	13.0p	11.45p

Looking forward our cash requirements in the UK and overseas could be considerable but well within our borrowing capabilities.

Overseas many of our operations are now self-financing. Should we be successful in our plans for overseas growth and acquisitions this will be achieved by an increase in borrowings after taking account of the Budget changes in respect of overseas investments.

Dividends

After taking account of last year's substantial dividend increase and the profits for the year the Board has decided to recommend an increase in the annual rate of dividend from 11.45p per share to 13.0p per share. An interim dividend of 3.6p has already been paid and a final dividend of 9.4p will be recommended to the Annual General Meeting. The dividend is

Employees

Finally I would like to acknowledge the role played by all of our employees. I have continued to visit as many of our plants as possible during the year both in the UK and overseas, and I am always rewarded by the spirit and friendly atmosphere that I find, coupled with a determination to improve our performance in the future.

It is a simple statement to say "thank you" but that is the sincere message to all employees from my Board colleagues and myself.

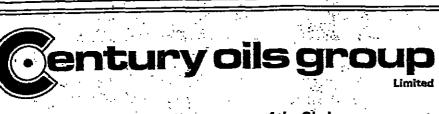
Thorn Electrical Industries Limited operates worldwide, has over 100 factories, employs around 80,000 people. Thorn has four distinct product groups - consumer electronics, including television rental; domestic appliances; lighting; and engineering. And Thorn sells its products via distinguished trade marks such as Kenwood, Tricity, Moffat, Bendix, Ferguson, Baird, Parkinson Cowan, Goodmans, DER, Multi-Broadcast, Clarkson, Avo and Benham . . . as well as Thorn.

THORN ELECTRICAL INDUSTRIES LIMITED, THORN HOUSE, UPPER SAINT MARTIN'S LANE, LONDON WC2H 9ED.

Principal activities and analysis of re	esults				
·	197	9	1978		
	Turnover	Profit	Turnover	Profit	
UK companies including exports	£m	£m	${f \pounds m}$	£m	
Consumer electronics	381.0	65.6	338.5	62.4	
Domestic appliances	331.5	19.6	288.3	18.0	
Lighting	157.3	10.4	145.4	10.9	
Engineering	204.2	12.8	188.5	14.1	
	1,074.0	108.4	960.7	105.4	
Overseas companies					
Consumer electronics	64.7	7.0	58.2	3.0	
Domestic appliances	41.8	1.5	40.3	2.6	
Lighting	103.1	3.6	105.8	3.3	
Engineering	40.7	1.6	26.9	2.2	
	250.3	13.7	231.2	11.0	
Group total	1,324.3	122.1	1,191.9	116.4	
Deduct: financing charges		4.0		6.1	
Group profit before taxation		118.1		110.3	

Timeh dredge June production 87.26 tonnes. May 139.96 tonnes. ...SAINT PIRAN—June production of tin concentrates: United Kingdom (tonnes treated 14.988) 142 tonnes (70 per cent tin metal). Malaysia 14 tonnes (Kota Bahru dredge recommenced operating on June 2) Thailand 97 tonnes May, outputs, 204, nil and 78 tonnes respectively. LIMITED 1978 £10,051,133 £7,496,999 £1.012.368 £712,090 £2,004,197 3.22p

Sales **Pre Tax Profit** Capital & Reserve £2,397,292 **Earnings per** ordinary 10p share Final Dividend per 0.4358p ordinary share making a total for 0.6536p 0.78958p the year of



Highlights from the statement of the Chairman. Mr. Charles H. Mitchell, for year ended 31st March, 1979.

	1979	1978
en de la composition de la composition La composition de la	£'000s	. £'000s
Pre-tax profits	1,257	1,153
Group sales	22,655	20,262
Earnings per ordinary share	12.05p	10.77p
Dividend per ordinary share	3.0079p	2.6347p
Dididoug ber eramen,		

OVERSEAS DEVELOPMENT

New company formed in U.S.A. Additional investment in Australia and Greece. Expected that over 25% of company's sales will be made overseas in current year.

U.K. TRADING

Current U.K. trading is good. Increase in prices and volume of output should result in substantial increase in sales for current year.

RECYCLING ACTIVITIES

Modifications to increase yields and minimise waste have meant a costly period of virtual closure of the refinery. Improvement looked for in second half of current year in this area.

Copy of the Annual Report can be obtained from the Company Secretary. Century Oils Group Limited, Century Works, Hanley, Stoke-on-Trent ST1 5HU.

UKO international Limited

Chairman Sir Ian Morrow reports:

TRADING RESULTS AND DIVIDENDS

The report and accounts for the year ended 31st March, 1979 show mixed results. Sales increased moderately throughout the group but, although profits of the ophthalmic group recovered from the setback experienced last year, this gain was offset by a decline in profits in the catering equipment group with the result that the increase in total profits was small.

The group profit for the year before taxation was £3,361,000 compared with £3,310,000 in 1977/78. Profits after taxation, minority interests and extraordinary items were £2,316,000 compared with £1,576,000 in 1977/78. The Board is recommending a final dividend of 6.48p per share, making a total for the year of 9:68p per share net, an increase over the previous year of 10%.

CPHTHALMIC GROUP

Sales and profits within the ophthalmic group both increased by approximately 17%.

The mass manufacturing companies strengthened their position during the year. New lens types were added to the group's product range and the re-equipment of the Kidwelly factory was completed. Stocks were brought back to normal levels following which production was slightly increased towards the end of the year.

CATERING EQUIPMENT GROUP

The catering equipment group had a bad year with profits falling by 46% to £457,000.

Sales for the year were disappointing, rising by only 7% to £10,428,000. Production capacity and manning levels had been increased in the latter part of last year in expectation of increased sales which were not achieved.

Steps have been taken to cut back manning and overhead levels to those appropriate to current sales volume. Contract pricing is being strictly controlled and acceptance of new contracts is on a selective basis. These changes could not have much effect during the year under review but should lead to a recovery in the current year.

Copies of the Report and Accounts are available from: The Secretary, UKO International Limited, Bittacy Hill, London NW7 1EN.

50,000 BETTER TOMORROWS!

50,000 people in the United Kingdom suffer from progressively paralysing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown— HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.



Please help-send a donation today to: Room F.1. The Multiple Sclerosis Society of G.B. and N.I., 4 Tachbrook Street, London SW1 ISJ.

BIDS AND DEALS

Gough Bros. returns to trading surplus

Gough Brothers, the wine mer-chant which is the subject of an agreed—and already assured—

The new company has acquired ratio of 11.7 on the tax charge offices at Bath. Initially it stated in the Wellman accounts, expects to carry our contracts. That charge has been reduced. agreed—and already assured bid from Scottish and Newcastle Breweries, is forecasting profits of around £320,000 after interest for the year to September.

and Markets

Pre-tax profits could be boosted by a further £150,000 as a result of property sales, £78,000 of which have already taken place and are included in the interim profits for the six months to March of £241,000 pre tax.

News of Gough's return to trading profits in the first half, compared with the £31,000 loss of September (transmuted into mere £65,000 pre-tax profits through property sales) is con-tained in the offer document. An interim dividend of 1p is promised, after 0.98p for the last

Mr. R. C. Gough, the chairnan, recommends S and N's bid o shareholders on the grounds that increased competition. duced margins and limited opportunities for expansion would make it difficult for the company to progress as an

He and his fellow directors have already irrevocably voted heir 39.8 per cent of the shares behind the bid and the S and N has bought a further 20.7 per

cent stake on its own account. The documents also reveal a advance in the value of S and N's fixed assets to £242.6m, a £5m increase in net current assets to £33.2m and a £12.6m in net tangible assets attributable to ordinary share-holders to £233.7m.

JENKS & CATTELL

Armstrong Equipment's £1.Sm bid for Jenks and Cattell, the Midlands manufacturer of metal pressings, steel washers and garden tools, has lapsed.

Armstrong received accept-ances of 69,419 ordinary shares of Jenks and Catteell, which was not sufficient to make the offer unconditional. Armstrong

ordinary shares of Jenks and Cattell - 31.8 per cent - before the offer was announced and has not purchased any since. ASSOCIATE DEAL

Cazenove and Co., associate of bilips Electronics, has purchased 81.000 Pye Holdings ordinary at 167p.

W. LAWRENCE

A new civil engineering com-Walter Lawrence Civil Engineering, has been formed by Walter Lawrence, the con-struction, manufacturing and property group.

within a radius of about 100 other parts of the country.

BATH & PORTLAND SOUTH AFRICAN LINK APPROVED

Bath and Portland Group, profits of which sild sharply in the six months to April 30 as work ceased on its major Iranian read contract, has received approval from shareholders for

its proposed South African link. LTA, a South African construction company 60 per cent owned by Anglo-American, has subscribed for 800,000 new 25p shares in Bath and Portland at 75p a share—just over 5 per cent of the enlarged equity—and will be entitled to take up a minimum of 1750,000 of shares each year until 1981. The shares closed yesterday at 45p ex dividend.

In return for the slake, LTA is guaranteeing a 53m bank loan facility for Bath and Portland, which intends to use the new funds for its noncontracting activities.

REDMAN/WELLMAN

Redman Heenan International has issued its formal offer document to shareholders of Wellman Engineering Corporation, as Wellman's chairman continued to reject the Redman offer and urged shareholders to take no action.

Redman is offering 65p per share cash for all Wellman shares it has not already

Mr. Angus Murray, Redman's chairman, explains that Redman had purchased 18.87 per cent in the past sepen months with a piew to the ultimate merger of

the two companies.
Wellman announced in May 1979 that it had reached agree ment with the Geeneral Electric Company of the U.S. to acquire the business and certain assets of its industrial heating depart-

"It was apparent to Redman that this acquisition, if allowed to proceed, would fundamentally alter the Wellman Group," said Mr. Murray.

Redman Heenan felt that Wellman shareholders should have the opportunity of "considering an attractive offer from Redman as alternative to the GE acquisition proceding." added Murray

represents an exit price-earnings

by special factors: on a fullymiles, but this, according to the taxed basis the price eathings group, wil not preclude it from ratio is 14.8. If the extraording tendering for suitable work in any stems arising during the other parts of the country. Year are taken into account the ratio is even higher. It also represents a premium of 17 per cent on Wellman's net tangible value on March 31 1979. including the surplus arising from the recent revaluation of

freehold properties. Wellman intends to write to shareholders giving details why the offer should be rejected.

WADHAM STRINGERS R. J. BOWN

IN A £1.73m cash and sha deal, Wadham Stringer, the motor distribution and retailing company, is buying R. L. Rown. Ford main dealers in Pontyphide and Caerphilly, South Water 97 per cent of the shares and will purchase the balance as soon as possible, the total consideration comprising 2866.346

cash and the cash and the Bsice of 1.924.541 Wadham ordinary 10p shares credited as fully part. Bown turned in pre-tax profits of £304,000 last year, despite the nine-week Ford strike, with sales totalling £8.6m; net asset value at December 31 was £1.65m

with manag accounts indicating profitable trading for the first six intends.
Wadham's acquisition was effective from January 1, 1979. The new Wadham shares repre-sent 5.76 per cent of its new enlarged share capital.

Ford Motor has indicated that subject to formal approval. the franchises held by R. J. Bown will be continued.

S. HOFFNUNG The acquisition by S. Hedraung and Company of the capital of the privately owned Earp Woodcock, Beveridge and Co., saw-

miller and retail timber and hardware merchant has now been completed.

The total consideration or payable is \$A2,887,822. Net tangible assets as at June 30, 1978, was \$A3,722,946.

NO PROBES

The following mergers are not to be referred to the Monopolies Commission: LCP. Holdings: a minority interest in The Whit-lock Corporation; Gateway Build-Society/Sandy Building Society; and Harrisons and Cros-field/The chrome chemicals business of PPG Industries Inc. I indications for the second half was encouraging

Boots sales expansion

WORLD SALES of Books Com- launch of Froben into the marks pany, the pharmaceutical and The overseas subsidiaries he retail chemist group, showed an at their half year a sales increased. ncrease of 145 per cent over the of 14 per cent before taking in comparable period last year, Sir account the hardening Gordon Hobday, the group chair sterling, but after exchang

Although he had warned in his with an increase of 41 per ce anunal statement that the present over last year, due in part year would not be an easy one the very late spring whi for the industrial division, sales, delayed business in the far for the first quarter were 5 per quarter of last year cent shead of last year and 15 per . In the retail division, sale

cent ahead of budget.

Pharmaceutical sales in the Pharmaceutical sales in the Whites chains increased by per cent on budget and above last year. Exports were 12 per cent ahead of budget but at the end of the first quarter they sales in the first quarter which nearly 8 per cent in the first quarter which nearly 8 per cent which nearly 8 per ce

Exports to Europe were 23 per the amounteement of higher VA cent ahead of last year and the rates, and the retail division group's exports to Japan were finished the quarter with sale after cent ahead, reflecting the just above budget.

man, told shareholders at yester- differences sales were approx

day's annual meeting.

About one half of the Boots Farm Sales had a got increase is real growth, he said, sales result in the first quart In the retail division, sal Whites chains increas

International Paint makes slow start

At the annual meeting of of the year were looking ver International Paint, Mr. M. good. Woodhouse, the chairman, said the new year did not star? well,-but trading had since improved

In Australia, the group, a subsidiary of Courtaulds, had suffered from a damaging paint in-dustry strike and in Canada from a strike in the wallcoverings

A major rise in raw material prices had put margins under T. Prentice state that the effe pressure, but latterly, trading of the Budget proposals on divi most of the overseas companies, whose years began on January 1 or earlier, were on or near their.

It would be idle to ignore, however, that with rising oil prices, inflationary pressures would increase and trading conditions get more difficult, he added.

Century Oils Group-Mr. C. H. Mitchell said that trading during the first quarter of the current pore out his earlier statements regarding current trading and future prospects, in that a substantial increase was being achieved both in volume and value of sales.

Francis Parker—Mr. R. K from the industrial problems.
Francis said the trading com the beginning of the year a profits in the first six months had the business then lost receachieved the set targets and performance in both division

Order books of all is cor

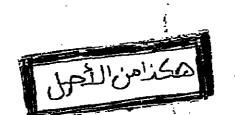
panies were very full and, su ject to sufficient labour bein available, should ensure a got second half. However, the r cent 2 per cent increase interest rates had meant the there would be an advent after in the short-term.

Harrisons and Grosfield of the Budget proposals on divi dend payments would be or sidered at the time of in interim. He said 1979 was exper ted to be another satisfactor

Operating income from group plantation intellects and a nigh ber of trading operations, thous ing its businesses in Malaysia at chemical merchanting in Carl were shead of last year a sterling terms at press exchange rates. The strength sterling if maintained until of affects on the conversion of our seas profits.

Its UK chemical manufacturing companies and some of its time merchanting companies suffe said the trading com- the beginning of the year and contribution to group had not yet fully made good if

After 246 years of active trading, we still find ourselves in the same position.



J&F. Martell. Nº1 in Britain since 1733.

UK COMPANY NEWS

Wintrust upsurge to £1.2m Allnatt growth

compares with the record will be transferred to general £1.65m in 1973-74.

At midway, the surplus was 120 per cent higher at £579.985.
(£261.045), and the directors said full-year profits would prove equally satisfactory.

They now say profitability in the first time menths of the current way has been extramely.

rent year has been extremely satisfactory, underlining their confidence in the company's

risen by over 300 per cent to £17,832 loss last time: The net total dividend is effectively stepped up from 2.5502p to 2.9027p, with a 1.9404p final A scrip issue of one new preference share for every eight ordinary shares is also pro-posed. The directors say this will effectively increase share-

TAXABLE profits of Wintrust year by more than 50 per cent, banker, surged 116 per cent. Some 37 per cent of deferred from 2573,460 to £1,24m, in the tax from capital allowances year to March 31, 1979. This obtained from leasing business

£116,065

confidence in the company's Including gains on disposals through the steady expansion of growth.

After tax for the year of Estates reports a pre-tax profit property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment property portfolios and by a contract of the development and investment of the development and investment property portfolios and by a contract of the development and investment of the development o

At the interim stage, when a downturn from a profit of £12,031 to a deficir of £68,255 said they anticipated full year results would show a profit. Before the gains on disposals will effectively increase share the loss per 5p share was 1.26p holders income over the coming (0.13p); after such gains there toss 1 Credit.

were earnings of 0.17p. there is no dividend. Mr. Frank Phillips, managing

director, says during the year the company continued its policy of concentrating on enlarging the property portfolio. Material growth has as a result been in net assets which is reflected in assets per share rising from 4.2p to 24.2p.

For the time being it is the Board's intention to maintain the concentration on asset growth

		19 <i>77-7</i> 8
Tumover		
Loss on rental lac.		_
less int., atc.*	199,643	17,832
Gains on disposals	315,708	
Profit before tax		
Tax		
Profit after tax	115,299	117,736
Minority profits	827	~-
Attributable	114,472	†17 .7 38
* Mainly due to curre	nt refurb	ishment
projects and reversions	ry inves	tments.

20,2

22.5

138.1

123.8

77.0 142.2

151.1

121.1

47.96

1,21

3.3Z 4,26

2.91

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450

6Ż

215

444

148

JOINT METALLURGICAL SCHEME

2 852

July 20 1979

PRE-TAX profits of Alinatt Lon-don Properties advanced from £3.47m to a record £4.24m in the year to March 31, 1979. At midway, the surplus was higher at £1.96m, against £1.52m.

Tax for the year took £2.05m (£1.58m). There are extraordizary credits of £753,869 (£96,811). Stated earnings per 25p share are up from 9.81p to 11.83p. The net final dividend of 5.45p lifts the total to 6.45p (4.3p), A onefor-one scrip issue is also pro-

Dividends totalling £355,652 (£165,350) have been waived.

Wigfall sees further

34.37 43.20

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248,94

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For and on behalf of the board A. ETHEREDGE

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G. Y. NISBET

Quarter ended Mar. 1979

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574 000 109 000 187 706

- 73 557

67 632 373 R8 932 DOD

9 283

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26.95

improvement A further improvement in profits is forecast this year at Henry Wigfall and Son, the Sheffield-based retail and rental

Mr. Richard Morrell, managing director, tells holders in the report and accounts that in spite of the immediate problems in the economy, the current year will produce improved profits.

The increase in disposable incomes through tax reductions should create a stronger demand for the consumer durable products sold and rented by Wigfalls, and the company is well-placed to take its share of the increased sales potential.

distort normal trading patterns. In addition, costs continue to rise with the high level of interest rates on bank borrowings being a significant factor.

During period to March 31, 1979, group pre-tax profits rose by nearly 35 per cent to £1,852,000 and the year's fi,852,000 and the year's dividend total was lifted, as forecast, from 7.5p to 13.5p per

AS FORECAST at halfway, taxable profits of Braham Millar Group, mechanical engineer, were significantly lower in the year to March 31, 1979, with a decline from a record £1.09m to

£452,441, on reduced turnover of £7.34m against £9.02m. First-half surplus had fallen from £510,999 to £213,842. The directors explain that ex-

port and competition factors, common to the ladustry as a whole, were intensified during In the short-term, however, the second six months by the the forewarning of the increase supheaval in Iran and political in VAT created an immediate problems with other countries, upsurge in business which could such as iraq and Nigeria-

These troubles frustrated contracts nearing completion al-though in the current year their prespects are improving and

The group retains several other promising export markets and the home front shows continued recovery. Efforts are being made to step up activity and

discetors are looking for an and leather manufacturer in-improvement in results as the curred tayable losses of year progresses.

Braham Millar well down

Earnings per 10p share slumped from 7.2p to 3p for the year, but the dividend total is effectively raised to 1666p (146573p) net, with a final of

Net asset value per share is little changed at 52p compared with 51p.

Depreciation £170,845 (£121,554). Tax took £74,278 (£186,178) and retained surplus emerged well down at £168,597 against £730,£24.

TEBBITT SEES TURNROUND

The turnround in the fortunes of the Tebbitt Group would be apparent at the interim stage, Dr. H. Fletcher, chairman, said at the annual meeting. He expected the recovery to continue

throughout 1979. In the 1978 year, the tanner in the UK.

curred taxable losses £293,082 (£214,442).

Ingersoll-Rand profit downturn

After interest of £1.94m against £2.55m, profits before tax of the Ingersoli-Rand Company, fell from £1.78m to £871,422 in 1978. Again, there is no dividend. Foreign tax takes £52,500 (£27,908) and there is a profit

of £808,295 (nil) on the purchase

During the year, £3.44m of the loan stock was bought in the market at this profit. As no UK tax will be payable in the foreseeable future, the board has decided to provide for deferred tax on profit for the year earned

Group Gold Mining Companies

Orange Free State

orts of the directors for the quarter ended 30th June, 1979

		. 5 . 4 . 5 . 5 . 5 . 5 . 5 . 5 . 5 . 5	-					R	eports	of	the	dir
1:	FREES				ILD				PRESIDENT DEVELOPMENT	STEY	N-Cont	inued
٠.	Free State Gedu				nte each	•	. :	•		Advance		changel
4	TISTUED CAPITAL	70'440'	inn 2000s	. (Quarter :	Quarte		e months ended		ilién es	inch ca	width
	OPERATING RESU	RTS			ended me 1979	Mar. 19	79 J	une 1979	Shalt area Besal reel No. 1	1 465	300	34.8
•	COLD mined—cent	bares (SQ)	ware metre	5)	152		37	444	No. 2	1 465 1 738	338	34.8 41.9
	Tons office 000	8		•	789 12.57	. 12	84 02	2 345 12.28	No. 4 Video lease area	3 341 1 366	442 522	68.8 69.2
	Production—kg			•	9 918 167.19	0.0	47	- 166.98	Quarter ended June 1979	7 910	1 502	56.9
٠.	Riton mills Riton mills Riton mills Riton procisi John Metallurgicky Stee semmero Stees delivered	16		:	32.21 2 562	26	58	31.61 2.574	Quarter ended March 1979 Nine months ende	7318	1 172	38.5
-	Sies Summery)							1 901	June 1979	22 696	3 642	48.5
3	100 6662				668 0.45	. 0	60 47	0.44	No. 2	755 360	424 268	180.1 140.4 -
	prankim—kgit miphur—per C price Received	ent		:	0.09 1.05	· 6.	10 04	0.09	Video lease area	5	8	78.8
	- C-MO			_	7 022 259	65	72 38	6 563 239 R000	Quarter ended June 1979 Quarter ended	1 120	700	152.2
	CWANCIAL RESU	KTS		•.	ROGO		38 00		March 1979	806 d	545	125.3
Ĺ	Costs			-	69 289 25 413	61 S 23 1	32 36 · · · ·	189 473 74 138	June 1979	2 615 226	1772	138.4 19.5
	Profit bint Metallurgica		-		43 876 1 040	36 6		735 335 1 205	No. 1 No. 2 Quarter ended	. 287	205	70.7
r. :	Set Study lucous	•			1 425	10	<u>59</u>	3 959	Jane 1979 Quarter ended	513	248	62.0
<u>.</u>	of profit	tion and	State's shar	ne	45 341	38 1	06.	120 499	March 1979 Nine months ende June 1979	d 211 d 994	190 552	135.5 93.6
Ŀ.) of profit			• .	21 804	187	94	53 158	Area under tribut		332	33.0
•	robt after taxet	og and	State's sho	ne :	24 537	21 3	12	67 34 1	and developed by President Brand (apt included above	e)		
	darturt:	•		- ; -		. =		<u> </u>	Basal reef Quarter ended	322	108	19.7
	Appropriation and	. catter ti	Michael Scottill	nd:	- fu _A -	n jed di	7.4.3	21 954	June 1979 Quarter ended March 1979	443	50	12.3
	of consumer lost loan levies—net Dividend—interim	,			~`		- خا	802 19 314	Nine months and		220	16.1
	Retained profit for					_	j	25 271	DIVIDEND The interim divide 1979 was declare	nd of 55	CORE & ST	igre (n re
-	i Yankal expenditure				11 447	10 9	5 6	32.621	end was paid on CAPITAL EXPENS	June 8	1979.	
3	—mine —Joint Metalli Loan levies—estim SHAFT SINKING	urgical S	cheme	<u>:</u> .	1 257	2	07 73	32.621 727 3.060	Orders placed an R7 741 000 of wi	d outstar Nich R893	ngual ou c	apital coi n respect
	SHAFT SINKING No. 5 main shaft	 :			metres	met	res.	metres				
	Advance			•	141.7 1 328-3	119 1 187	3	490.0 1 328.3	July 20 1979			
٠.	Depth to date Station cutting No. 5 ventilation s	haft		-	597.9	1 06	5.8	2 206.1 815.8	3017 20 1279			
	Depth to date				180.3 1 547.7 477.7	29: 1 36: 26:	4	1 547.7 1 101.0				
۶.	Station cutting DEVELOPMENT					npled			WELK	MC		_
٠.	<u>:</u> :	Advance metres	metres	channel	go	d	uran		Welkom Gold I	Mining C	. sqmo	ان
ž	Shaft area	•	•	CIT	몇박	cm.g.t	kg/t	em.ks/t	ISSUED CAPITAL	12,250	000 shares	t of 50 (
	Rasal reef	2 505	148	29.7	91 <u>.2</u> 5	2 710 1 154	0.34	16.10 9.12				
:	No. 2	3 574 3 419 1 089	232 280 234	23.9	20.84	498 6 414	0.63 0.48 0.44	11.38 23.53 12.35	OPERATING RES			-
	No. 4 No. 7 No. 9	1 757 2 292	. 78 32	53.2 29.5 27.1	120.56 17.84 11.81	528 320	0.42 0.25	7.14	Area mined—cet			
÷	Philippi No. 414 tribute area	245	40	32.9	22.90	751	0.50	16.53	Tors milled 000's Yield—g/c Production—kg		:::::: :	• •
i	Quarter ended June 1979	14 882.	1 044	30.0	76.33	2 290	0.45	13.56	COST—KICA BUNG			::
	Quarter ended	12 553	1 106	32.1	85.67	2 750	0.45	14-31	Joint Metallergica (See: summary)	i Scheme	······	••
÷	Nine months ended June 1979 Leader resi	40 970	3 390	31.5	76.73	2417	0.44	13.61	Tons 200's			
-	No. 1	113 218	- 50	260.0 100.3	11.00	450 1 103 1 134	0.07 0.41 0.05	17.09 41.16 6.05	TJEKO	-		
•	No. 9			118.5	1.13	134.5	0.03		PRICE RECEIVED	ON SAL	es	;;
	Quarter ended June 1979	331	62	.113.0	8.28	936	0.31	35.07 34.47	Gold—R/kg S/oz FINANCIAL RES	<i></i>		
	Quarter ended March 1979 Nine months ended	279	32-	21.3 98.9	33.62 7.87	716 778	1.62 0.37	35.44				
•	June 1979 Kimberler reel	754 69 6	146 ·	131,4	4.16	546	0.04	5.60	—Costs		!::::::	
	No. 7		20	216.0	0.09		0.02	3,44	Joint Metaliurgic	i Scheme	(Prost)	Ξ.
	Quarter ancied June 1979	'J 035';	324	135:7	3.75			5.47	Net sundry income Profit before tax	atton and	State's shi	are
	Quarter ended March 1979 Nine months ended	655		151.7	6.39	970	0.03	4 ₁ 13 5.08	of mont Provision for tax	agon and	State's sh	are .
	June 1979 Eisburg: reef	2.634		147.1	4.28	630	0.03		or projec	·	<u>.</u> :	:
	Oswier evoed	27	<u>'₹</u> '	· <u></u> ·	<u></u>		·		Preside after taxa	490 100		
	Jupe 1979		. 			224	Q,0Z	3.15	Deduct: Appropriation:	(-8	abies erre	
•	Quarter ended March 1979 Nine months ended	126	66 100	185.8 204.6	.1,21 0,96	195	0.02	3.24	Capital expenditus of consumer k Dividend—laberius	(202		
	June 1979	126 what 185	i cents a Sh	are in r	spect of t	he year en	Hog Sept	ember 3D	Related profit fo			
	June 1979 DIVIDEND TO Interim divider 19.9 was declared and was paid on CAPITAL EXPENS	on Apr	li 19 1979 1979	payable	to membe	27. LEGANGELO	O ON MA	1918	Capital expenditu	fe:		
	and was paid on CAPITAL EXPENS Orders placed all R15 739 000 of v	MITURE d cotsizes which 21	ding on C	opital co	spect of I	Ne memoran	يمن بحيو	Muce		ergical Sc leasted	berne	
	-					1. 4162 .04. 4	-					
	-					G. LANG	UNG	Directors	射度とは	Advanc. metres	metres	channel
	July 20 1979	٠			٠.				Shaft area Basal reef			cm
								-	No. 1	1 378 1 007	295 295	16.8 24.9

	•		
	المجاوي بند بد		
PRESI	DENI	SIEYI	u
FILLUR	<i></i>		
Variations State	n Cold Minir	ra Combany L	imited

and its wholly-owned subsidiary, Video Mining Company Limited

ISSUED CAPITAL: 14 566 400 shares of 50	cents each		
	Quarter ended Jane 1979	Oparter ended Mar. 1979	Nige months ended June 1979
OPERATING RESULTS	4-232		
	٠.		
CRUITO MEGENI	174	170	506
000'5	312	877	2 503 7.32
	7.35 6 710	7.45	19 051
	147.80	6 545 145.79	145.75
Cost—Rica mineo	27.22	. 28.26	26.23 3.858
7 June 1 1 100 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3 703	3 787	3030
Loint Metalfurgical Scheme	:		
(See symplair)		4	4 681
Tons 000's	1 34T	. 1 597	
	0.70	0.51	0.55
gold git uranium—kgit	0.11	0.10	. 0.10 0.59
	0.84	0.91	
PRICE RECEIVED ON SALES Gold-RIB STORY THE PRICE RECEIVED ON SALES GOLD-RIB THE PRICE RESULTS	7 016	6 548	6 <u>556</u>
Gold—R/kg	258	239	239
FINANCIAL RESULTS	ROCO	Raga	2000
	48 503	. 43 635	127 480
Gold-Revenue	24 848	24 784	73 494
—Costs		15 651	53 966
—Profit	23 655 2 575	10 B31 846	2 985
	7 636	1 362	₫ 271
Not should income			
Prost before taxation and State's share	27 855	21 059	61 222
of profit	71 669		
of profit Provision for taxation and Status share of profit	, 11 256	9 783	26-296
of prefit			
Profit after taxation and State's share	15 510	11 276	34 926
of blogs		كسنح	
Deducti			•
			~ 747
Appropriation and Parallel taking account of consumer loans)	• •		7 341 527
Can lawer out		•	9 468
Dividend-interior			17 590
Retained profit for the nice profits			17 390
Retained profit for the most process	•		
Capital expenditure:	7 893	. 3 587	14 984 . 781
Capital expensions	407	135	2 054
—mine —John Metallurgical Scheme — Loan levies—estimated	878	7,26	
		metres	206.9
SHAFT SINKING No. 4 Sub-vertical shaft system	62.5	119.5 966.9	1 029.4

PRESIDENT BRAND

•		Quarter ended June 1979	Quarter ended Mar. 1979	Nine months ended June 1979
	OPERATING RESULTS GOLD	5-42 1212		J
•	Area mined—centares (square metres) 000's -Tons milled 000's -Tons milled 000's -Tons milled -Rica mined -Rica milled -Ricy produced Joint Metallurgical Scheme (See summary	154 807 9.29 7 495 149.81 28.59 3 078	143 802 9.76 7 828 152.14 28.08 2 876	451 2 370 9.56 22 647 147,68 28,08 2 939
	Stimes delivered Tons 000's	768	408	1 596
	Yield gold—g/t grablan—kg,t saphar—per cent	9.39 80.0 86.0	0,37 0,08 1,14	0,38 0.98 1.07
	PRICE RECEIVED ON SALES Gold—Rikg —S/gz	6 998 258	6 538 239	6 544 239
	Gold—Revenue	R000 51 889 23 071	R00# 51 182 22 517	R000 147 372 66 551
	Profit Joint Metallurgical Scheme profit Net sondry expenditure	28 816 2 723 754	28 665 2 637 378	81 021 7 739 1 411
	Profit before taxation and State's share of profit Provision for taxation and State's share	30 777	30 924	27 345
	of profit	3 035	70 129	22 822
	Profit after taxation and State's share of profit	27 742	20 795	64 527
	District Appropriation and transfer: Capital expenditure (after taking account of consumer loans) Loans levies—net Dividend—interim			19 492 (344) 16 145
	Retained profit for the nine months			29 233
	Capital expenditure: —mine — Joint Metallurgical Scheme Loan levies—estimated	4 713 18 117 245	3 725 9 971 435	11 037 33 731 1 795
•	CONSOLIDATED PROFIT Consolidated profit after taxation and State's share of profit of the company and its subsidiary, Free State Sasiplass Gold Mining Company Limited—after allowing for minority shareholders'	54 4 F-	23 283	70 615
	Includes tonnage treated on cost plus service charge basis by Free State	31 469		
	Saarplaas	59 100	120 500	291 790 of ceased for

aft area sal reef sal	VELOPMENT				Sas	npled		
aft area sal reef 1		Advance metres	metres		90	ld	1973.11	ilam
Sal reef 1					gı	€M.9,€	kg.1	cm-kg/
237 12 12.0 950.67 11 408 3.50 42.5 2 3.0 13 092 312 38.4 46.98 1804 0.25 8.3 1136 120 11.0 156.00 1716 1.86 20.3 5.4 46.98 1807 2956 0.04 6.3 567 416 148.3 19.93 2.956 0.04 6.3 19.79 8.0 19.79 8.0 19.79 8.0 19.79 18.55 1760 0.10 9.0 19.79 18.55 1760 0.10 9.0 19.79 18.55 1760 0.10 9.0 19.79 18.55 1760 0.10 9.0 19.79 18.55 1760 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.10 9.0 19.79 18.55 17.60 0.27 17.50		•						
2 3092 312 38.4 46.98 1804 0.23 8. 1136 120 11.0 156.00 1716 1.86 20.4 4. 3567 416 148.3 19.93 2956 0.04 6. 1979 8.032 866 87.4 28.41 2483 0.71 9. arter ended rch 1979 . 7451 802 95.9 18.55 1760 0.10 9. me months ended rch 1979 . 25 527 2284 91.5 22.42 2.051 0.11 9. after ref						11 200	7 50	42.02
3 1136 120 11.0 156.00 1716 1.86 20. 4 3 567 416 148.3 19.93 2.956 0.04 6. 4 1979 8 352 860 87.4 28.41 2.483 0.71 9. 4 1979 7.451 802 95.9 18.55 1760 0.10 9. 4 1979 9 7.451 802 95.9 18.55 1760 0.10 9. 4 1979 1979 1979 18.57 1760 0.11 9. 5 1979 1979 27 18.57 1760 0.11 9. 5 1979 1979 1979 1970 1970 1970 1970 1970								8.75
3 567 416 148.3 19.93 2 956 0.04 6. arter ended e 1979 8 932 869 87.4 28.41 2 483 0.51 9. arter ended rch 1979 7 451 802 95.9 18.55 1760 0.10 9. arter seded rch 1979 . 23 527 2 284 91.5 22.42 2 0.51 0.11 9. after reef								20.39
arter ended se 1979 . 8 832 860 87.4 28.41 2 483 0.71 9. arter ended se 1979 . 8 832 860 87.4 28.41 2 483 0.71 9. arter ended se 1979 . 23 527 2 284 91.5 22.42 2 0.51 0.11 9. me months ended se 1979 . 2 3 527 2 284 91.5 22.42 2 0.51 0.11 9. miler reef								6.63
Ter 1979 8 032 860 87.4 28.47 2483 0.77 3. arter ended rch 1979 . 23 527 2284 91.5 22.42 2.051 0.11 9. after reef sended rch 1979 . 1 290 274 126.8 5.81 863 0.17 21. 3 1 394 424 123.1 5.43 668 0.25 31. arter ended rch 1979 . 2 294 698 124.5 5.98 744 0.22 27. arter ended rch 1979 . 1 980 850 120.3 5.55 668 0.26 31. arter ended rch 1979 . 5 467 2 316 721.9 5.69 694 0.24 29. addition, area der tribute from sident Stryn tail reef arter ended re 1979 322 108 19.7 169.95 3 388 1.94 20. arter ended ref 1979 322 108 19.7 169.95 3 388 1.94 20. arter ended ref 1979 322 108 19.7 169.95 3 388 1.94 20. arter ended ref 1979 322 108 19.7 169.95 3 388 1.94 20. arter ended ref 1979 322 108 19.7 169.95 3 388 1.94 20. arter ended	. 4	3 567	416	148.5	19.93	2 930	<u> </u>	
arter ended r.h 1979 . 23 527 284 91.5 22.42 2.051 0.11 9. me months ended arter ended red 1979 . 23 527 2.284 91.5 22.42 2.051 0.11 9. me months ended red 1979 . 294 698 124.5 5.98 744 0.22 27. me months ended red 1979 . 1980 850 120.3 5.55 668 0.26 31. me months ended red 1979 . 5 457 2.315 721.9 5.69 694 0.24 29. me months ended red 1979 . 5 457 2.315 721.9 5.69 694 0.24 29. me months ended red 1979 . 5 457 2.315 721.9 5.69 694 0.24 29. me months ended red 1979 . 2 315 721.9 5.69 694 0.24 29. me months ended red 1979 . 2 315 721.9 5.69 694 0.24 29. me months ended red 1979 . 3 338 1.94 28. me months ended red 1979 . 3 338 1.94 28. me months ended red 1979 . 3 348 1.94 28. me months ended re				97.5	28.45	7 AR3	0.11	9.81
rch 1979 7.451 802 95.9 18.55 1760 0.10 9. me months ended 1979 23 527 2284 91.5 22.42 2.051 0.11 9. miler reef 1394 424 123.1 5.43 668 0.25 31. Arter ended 20 1979 294 698 124.5 5.98 744 0.22 27. arter ended 20 1979 1980 850 120.3 5.55 668 0.26 31. Per months ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter tracte from seldent strend 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 5 467 2.316 721.9 5.69 694 0.24 29. arter ended 1979 322 108 19.7 169.95 3.348 1.94 28. arter ended		عوده ه	Gey	o,	2042			
The mounts ended 23 527 2284 91.5 22.42 2.051 0.11 9. 1979 23 527 2284 91.5 22.42 2.051 0.11 9. 1979 23 527 2284 91.5 22.42 2.051 0.11 9. 1979 23 527 2284 125.1 5.43 668 0.25 31. 1979 2424 123.1 5.43 668 0.25 31. 1979 2424 598 124.5 5.98 744 0.22 27. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 668 0.26 31. 1979 25 67		7 461	802	95.9	18.55	1 760	0.10	9.54
no 1979 23 527 2284 91.5 22.42 2.051 0.11 3c. adder reef 900 274 126.8 5.81 863 0.17 21. 3c. 1379 424 123.1 5.43 668 0.25 31. 3creer ended 1394 424 123.1 5.43 668 0.25 31. 3creer ended 1379 1980 850 120.3 5.55 668 0.26 31. 3creer ended 1379 1980 850 120.3 5.55 668 0.26 31. 3creer ended 1379 5.69 694 0.24 29. 3cd libon, area 6cr tribute from seldent Street 1980 850 120.3 5.55 668 0.26 31. 3cd libon, area 6cr tribute from seldent Street 1980 850 121.9 5.69 694 0.24 29. 3cd libon, area 6cr tribute from seldent Street 1980 850 127. 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348 1.94 28. 3cr tribute from seldent Street 1980 850 19.7 169.95 3.348					: _			
1 900 274 126.8 6.81 863 0.17 21. 3 1394 424 123.1 5.43 668 0.25 31. 3 1294 698 124.5 5.58 744 0.22 27. arter ended rich 1979 . 1 980 850 120.3 5.55 668 0.26 31. ne months ended re 1979 . 2 316 721.9 5.69 694 0.24 29. addition, area der tribute from stident Stren later arter ended refer e			2 284	91.5	22.42	2.051	0.17	9.57
1 194 424 123.1 5.43 668 0.25 31. Carter ended on 1979 2 294 698 124.5 5.58 744 0.22 27. arter ended on 1979 1 980 850 120.3 5.55 668 0.26 31. ne months ended on 1979 5.67 2 316 121.9 5.69 694 0.24 29. addition, area der tribute from seldem Stryn sal neet arter ended on 1979 322 108 19.7 169.95 3 348 1.04 20. agreer ended on 1979 322 108 19.7 169.95 3 348 7.04 20. agreer ended	nder seef							
Taylor rended 2294 698 124.5 5.58 744 0.22 27. arter ended 29. 1979 . 1980 850 120.3 5.55 668 0.26 31. ne months ended 29. 1980 850 120.3 5.55 668 0.26 31. ne months ended 29. 1979 . 5.69 694 0.24 29. 29. 29. 29. 29. 29. 29. 29. 29. 29.	. 1	90D	274					21.62
2 294 698 124.5 5.98 744 0.22 27 arter ended 1980 850 120.3 5.55 668 0.26 31 ne months ended 1979 6467 2 316 121.9 5.69 694 0.24 29 addition, area der tribute from sident Stevn sill reef arter ended 2 2 198 19.7 169.95 3 348 1.94 20 arter ended 2 1979 322 108 19.7 169.95 3 348 1.94 20 arter ended 2 2 1979 322 108 19.7 169.95 3 348 1.94 20 arter ended 2 2 1979 322 108 19.7 169.95 3 348 1.94 20 arter ended 3 2 1979 322 108 19.7 169.95 3 348 1.94 20 arter ended 3 2 1979 322 108 19.7 169.95 3 348 1.94 20 1979 322 108 19.9 19.9 19.9 19.9 19.9 19.9 19.9 19.	. 3	1 394	424	123.1	5.43	668	0.25	31.16
ac 1979 294 698 124.5 5.98 744 0.22 27 arter ended ch 1979 . 1 980 850 120.3 5.55 668 0.26 31 ne months ended ch 1979 . 6 467 2 316 721.9 5.69 694 0.24 29. addition, area cherritary from sident Starth call rest arter ended arter ended arter ended cherritary arter ended cherr	arter ended							
rch 1979 . 1 980 850 120.3 5.55 668 0.26 31. ne months ended . 5 467 2 316 721.9 5.69 694 0.24 29. addition, area . 6 feet ribute from . 6 feet Stayn . 6 feet . 6 fe		2 294	. 69\$	124.S	5.58	744	0,22	27.41
ner 1979 1980 1980 1979 5 467 2 316 721.9 5.69 694 0.24 29. addition, area der dribute from sidden stravn sal reef arbert er med 1980							A 26	31,23
ne 1979 6 467 2 516 121.9 5.69 694 0.24 29. addition, area . sident Stays .			850	720.3	5.33	900	0.20	3,,
Ser tribute from sident Stevn sident Stevn sident Stevn sident Stevn sident Stevn sident side			2 316	721.9	5.69	694	0.24	29.85
sident Stayn us red us		•			•			
izi ree! arter ended ne 1979 322 108 19.7 169.95 3.348 1.04 20 arter ended						· :		
arter ended		٠.						
1979 322 106 15.7 18353 3.77 184 173					• .			
arter ended	e 1979	372	108	19.7	169,95	3 348	7.04	20.35
	iarter ended	447	50	197	748 Q£	3 052	7.84	- 22.62
Lili 1375			80					
ne 1979 1 254 220 16.1 204.78 3 297 1.39 22	e 1979	1 254	220	16.1	204.78	3 297	1.59	22.38
VIDEND	VINEND.							

Free State Saaiplaas Gold Mining Company Limited

SSUED CAPITAL: 28 100 000 shares of RI	éscu		•	R4 146 000 of
PERATING RESULTS	Quarter ended June 1979	Quarter ended Mar. 1979	Nine months ended June 1979	July 20 1979
50LD				-
Area mined—centares (Aquare metres) 000's 000's 005 milled 000's (reid—g): reid—g: reduction—kg 051—R lca milled R lcon milled R lcon milled Q:no milled pint Meahlursfull Scheme	68 324 339 3 099 132.76 23.57 6 978	36 375 3.57 1 066 137.71 23.34 6 919	115 946 346 3 250 720,05 23,48 6 813	ANG
(see summary)				i 1
limes delivered	464	635	1 6 54	1
/eld 9816—971 sulphat—per cent sulphat—per cent	9,37 0,24 0,73	0.38 0.23 0.72	0.37 0.24 0.74	GENERAL
old—R/kg	7 040 259	5 <u>52</u> 6 238	6 556 258	I. PROI
INANCIAL RESULTS iold—Revenue	7 868 7 869	2000 7 014 7 376	RODO 27 4965 22 2009	South losses mate
Profit (Loss) oint Metallurgical Scheme profit let sundry Income	6 877 378	(3621 4 797 532	11 532 1 577	2. DEVE
rofit before taxation and State's share of profit rovision for taxation and State's share	7 448	4 973	12 169	Deve
of profit				estim
rout after taxation and State's share of profit	7 44\$	4 973	12 169	The Tra
apital expenditure —mine —joint Metalkurgical Scheme	9 304 18	€ 518 . 28	20-670 77	this pape
onnage treated for President Brand to	59 100	120 500	291 700	Copies o

FREE STATE SAAIPLAAS-Continued

		#16CF85	metres	Cuanuel .	9010	· · · · ·	uran	
			٠.	· wkith	0.1	CITI-O E	kg;t	cm.kg/t
hs	Shaft area							
	Basel reel		116	104.4	4.23	442	0.13	13.25
79	No. 2 No. 3	7 231 940	154	128.8	4.83	622	0.08	10.5B
	Quarter ended						445	
51 70	June 1979 Cumter ended	2 171	270	118.3	4.61	545	0.10	11.73
<u>70</u>	March 1979	1 620	106	116.5	6.71	782	0.22	25.81
\$6 47 56 08 39	Nine months ended	. 020						
36 56	June 1979	5 494	686	113.6	7.02	798	0.25	28.55.
ĎΒ	Leader reet			-				
59	No. 2 Oparter ended							
	June 1979	779	144	116.3	1.87	218	0.11	12.86
	Quarter ended							
96	March 1979	624	56	130.0	3.05	396	0.16	20.78
	Nine months ended	1 885	306	118.2	2.68	340	0.15	17.25
38	"A" reef	. 505		11000				17424
38 08 07	No. 3		•					
	Quarter ended	49	14	102.0	1.79	183	0.04	4.48
	Jane 1979 Coarter ended	43	14	102.0	1.79	103	0.04	4.40
44 39	March 1979	NII	_	. —	_	_		-
30	Nine months ended	l						
	Jupe 1979	49	14	102.0	1.79	183	0.04	4.48
00 72	" 8 " reef No. 2							
śĩ	Oparter ended							
	June 1979	88	58	148,2	0.14	21	0.02	281
21	Quarter ended	31	26	82,3	0.36	30	0.03	2.51
39 11	Nine months ended		20	62,3	0.36	30	0.03	2.31
<u> </u>	June 1979	123	84	127.8	0.19	24	0.02	2.72
	CAPITAL EXPENS	TURE			_	_		
45	Orders placed and R26 372 000 of w	Outstan	diag on	capital con	tracts as	at June	30 1979	totalled
	K59 215 000 05 M	11CH 1423 L	100 W45 II	Lerbert of		-		
22						or-and on	behall of	the board
					D.	A. ETHER	REDGE	Directors
27						G. S. Y	OUNG	Directors
_	July 20 1979						_	

WESTERN HOLDINGS

Vestern Haldings Limited		
SSUED CAPITAL: 7 496 376 shares of 50 PERATING RESULTS	cents each Quarter ended June 1979	N
urea minedi—centares (square metres)	158	

	100	ze 1979	Mar. 197	'9 .I	une 1979
OPERATING RESULTS GOLD	•-		(- •	
Area minech-Centares (square metres)					
OCO'S Tons milled 000's		158 790	75 79	D	464 2 324
		10.44	9.3	4	9.93
Production—kg		B 247	7 33	7	23 071
Production—kg Cost—Rica mined —Rica milled		125.10 25.02	130.2 24.6	9	124.92 24.94
		23.02	2 66	Ż.	2512
Price produced Joint Metaliurgical Scheme					
(See surmary) Sismes delivered					
Tons 000%		1 026	1 04	3.5	3 018
Yanid				_	
gold—gft		0.45 0.09	0.4 0.1		0.45 0.09
Enjoyane kalif		1.07	1.0	Š	1,04
gold git unstant kgit solution per cent PRICE RECEIVED ON SALES				_	6 554
GoldRikg		7 023 259	6 51 23		5 354 238
Gold—Rikg —Sibz FINANCIAL RESULTS				-	
		R000 58 481	RD0 48 52	, o	. R000
Gold Revenue		19 766	19 54	3	152 535 57 964
Profit		38 715 528	28 97 27		94 571 468
Joint Metallorgical Scheme profit		1 824	2 10	15	5 472
• • •				_	
Proof before taxation and State's share of profit		41 067	31 35	. 9	100 511
Provision for taxation and State's share				-	
of profit		24 811	17 45	i <u>5</u>	58 608
Profit after texation and State's share					
of profit		16 256	13 90		41 903
				=	
Deduct: Approbriation and transfer:					
Capital expenditure (after taking account					4 503
of Consumer loans)				-	691
Loss leries net Dividend—interim					20 240
•					16 365
Retained profit for the nine months					10 352
Capital expenditure:					
—inine —joint Metallurgical Scheme		1 727 931	1 8	37	5 383 1 844
Loan, levies—estimated		1 399	56	3	2 332
Loan, levies—estimated				-	
Advance		Samp	lea .		
metres metres c	kgmei width	9014		nL.	nium
	400 DI	g.t	cm.a.t	kg t	cm.kg/t
Shaft area					
.Basal reef No. 1 1 589 256	22.3	194.66	4 341	0.47	10.41
No. 2 1621 222	24.0	50.79	1 219	0.20	4.79
No. 3 2 423 326	39.5	23.57	931	0.14	5.63
No. 4 2 341 272	10.2	204.22	2 083	2.38	24,42
Quarter ended					
June 1979 . 7 974 1 076 'Quarter ended	24.8	84.40	2 093	0.46	11.34
'Quarter endez 'March 1979 6 933 698	23.4	66.58	7 558	0.32	7.5B

-	Advance metres	metres	channel	gold	•	ntsin	ų m
			an .	g.t	f.e.mo	kg t	cm.kg/
it area							
al_reef	1 589	256	22.3	194.65	4 341	0.47	10.41
1 :::::	1 621	222	24.0	50.79	1 219	0.20	4.79
3	2 423	326	39.5	23.57	931	0.14	5.63
4	2 341	272	10.2	204.22	2 083	2.38	24.42
rter ended					-		
1979	7 974	1 076	24.8	84.40	2 093	0.46	11.34
rter ended	6 933	698	23.4	66.58	1 558	0.32	7.58
e months ended		2 732	26.4	72.99	1 927	0.36	9.60
: 1979 ~ der reef	22 579	2/32	20.4	<i>(</i> 2.57	1 947		9.00
1	253	188	204.0	3.49	711	0.15	31.30
2	518	425	151.7 176.6	2.81 2.04	426 360	0.12 0.07	18.38 11.76
<u> </u>	131 29	52 22	242.6	0.35	360 84	0.04	10.49
rter ended e 1979	1 231	889	170.8	2.86	486	0.12	21.16
rter ended							
ch 1979	1 080	514	193.3	2.94	56B	0.12	24.12
e months ended	3 463	1 816	185.0	2.83	523	0.13	23.22
TDEND						_	
interim divide	nd of 270	cents a r	share in ri	Ebect of 5	pe Afri eu	ding Seni	ember 31
9 was declared	on April	_19 1979	payable	to wembe	rs registere	2 OU MT	y 4 197
WAS PAID ON .	June 8 19	19.					
ers placed and	d outstand	ing on a	capital cor la respect	atracts as	at June Haliproical	30 1979 complex	totalle
	11910				and on b		the boar
					G. LANG		
					- LAN	aivid ,	Street and

G. S. YOUNG

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

GENERAL NOTES

1. PRODUCTION

During the course of the "go-slow" by members of the South African Technical Officials' Association production losses were minimised by the rationalisation of underground material deliveries, by the cut-back of equipping and construction work, and the use of surface stockpiles.

Development values represent actual results of sampling, no allowances having been made for adjustments necessary in

The Transvaal Group's results appear on another page in this paper. Copies of these reports will be available on request from the offices of the Transfer Secretaries:

Charter Consolidated Limited, P.O. Box 102, Charter House, Park Street. Ashford, Kent, TN24 8EQ. LONDON OFFICE: 40 HOLBORN VIADUCT, EC1P 1AJ

NORTH AMERICAN NEWS

Leading chemical groups experience mixed fortunes bid talks

THE MAJOR U.S. chemical of return of 6.6 cents to the year would be repeated companies yesterday reported dollar was "still below manage. W. R. Grace's incom mixed results for the second ment expectations, adding "we 11 per cent to \$59m or \$1.37. quarter, and several warned that the second half of the year in general economic activity in would be slacker than the first. Du Pont, the country's largest chemical concern, said net income was \$232.8m or \$1.59 per share, up 22 per cent from last year's \$190.8m or \$1.31. Sales rose from \$2.73bn to \$3.24bn.

Union Carbide, the second largest, reported earnings of \$150.5m. or \$2.30, up 41 per cent from \$106.8m or \$1.65 last Sneath, chairman, said the level

are anticipating some slowdown and sales increased 16 per cent the third quarter, and even further slow down in the fourth." earnings .Honsanto.

declined by 27 per cent to 859.5m or \$1.54 from \$76.1m or \$2.09 though sales rose by 29 per cent to \$1.53bn. The company said foreign currency translation losses had wiped 29 cents off per share earnings. from \$106.8m or \$1.65 last Commenting on prospects, Sales were up 16 per cent Monsanto said it was unlikely at \$2.29bn. But Mr. William that the strong pace of sales growth" ex perienced so far this

W. R. Grace's income rose

to \$1.3bn, mainly due to strength in specialty chemicals and the oil and gas operations. Agricultural chemicals and consumer operations were down slightly on last year.

Mr. Peter Grace, President, "While we do not antisaid : cipate improvement in climate for remainder of this year and possibly into early 1980, we nonetheless are confident that Grace's results will continue to be favourable over the period."

Films boost Warner's revenues

EY CUR FINANCIAL STAFF

A SUESTANTIAL jump in film division had a lough time. income and revenue is behind ner Communications second quarter net earnings to \$20.2m. Operating income from filmed entertainment—including such recent box office hits as "Superman"-rose by 62 per cent. Theatrical revenues were substanticlly higher and film ren- industry as a whole, and adds any six month period.

Other divisions, which span publishing, distribution, cable communications and electronic games, also reported improved figures but the Recorded Music

ing from the inclusion of Japanese revenues—but the

19 per cent. Department predicition that box cent ahead of 1978's figure of

Warner recently moved to

strengthen its grip on film carn-Music revenues were up by ings with the announcement, the 20 per cent increase in War- around 18 per cent-approxi- earlier this month, of a motion mately half of the increase com- picture production joint venture ing from the inclusion of with Mr. Alan Ladd Jr—the former president of Twentieth Century Fox Film Corporation operating income was down by Mr. Ladd and his team had The strength of the film been responsible for a string of revenues is in line with the U.S. major box office successes, in cluding "Star Wars"

tals set an industry record for weight to a U.S. Commerce sharply boosted Fox's profits. The 20 per cent second office receipts in 1979 will be quarter profit jump took net approximately \$4.78bn—16 per earnings for the six months to earnings for the six months to June 30 to \$51m—last year the figure was \$36.1m—on revenue of \$821.6m against \$587.9m

Bunker Hunt in Australian deal

BY JOHN ROGERS IN SYDNEY

THE MAN considered by many to be the richest in the world, Nelson Bunker Hunt. A\$5.25m paid (U.S.S5.92m) to buy 6.697 square kilometres of Australia's prime beef cattle country.

The seller was the former large Australian pastoral house, Marra Development, which has been liquidating its rural assets

properties ---Kalmeta and volved three Clonash-in Northern Queensland and the Northern Territory. None of the properties are connected. The purchase, which is believed to be the biggest ever receirded for a pastoral sale in Australia, is subject to the approval of the Foreign Investment Review

finance the company's planned 30 cents Aust, return of capital before cancelling the remaining issued capital. done to settle lengthy court hattles between the Marra Board and a determined group of influential minority share holders. Control of Marra has now moved to the stable of well-known Australian share raider, Mr. Ron Brierley's In-The money will be used to dustrial Equity:

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on July 10

U.E. DOLLAR		Change on
U.S. DOLLAR STRAIGHTS	Issued	Rid Offer day week Yield
STRAIGHTS Annual Pushtalia 10 39 Att. Horizon XV/ 91, 91 Aris 0, 5 Crp. 104, 87 Cert Int. F XV/ 74, 83 Cert Int. G XV/ 74, 84 Cert Int. G XV/ 74 Cert Int.	60	98', 99', -0', -0', 10.18
At Hoween AW 912 91	30	831, 841, -01, -01, 12.14
Arcs 0.5 Crp. 104 or	300 40	97's 97's 0 -0's 10.76
C. Of IDE T ANY MICE.	200 50	944, 951, 0 -04, 9,97
Cinaua 9 53	460	98 9812 - 014 - 014 9.73
Canada Sty 28	350	977, 98% -01, -01, 9.68
Christian Pacific 94 89	50	93 92½ -0½ -0½ 10.03
Carlet Hawtey as ou	20	36, 31, -0, +0, 10.31
Deminion Briage 1014 84	30	991 100 0 0 10.31
Co v Ciem. 0/3 9% \$4	201	977, 981, 0 -01, 9.86
Cherton Pacific 94, 89 Carter Hawley 31, 36 Convice Inv E. 104, 31 Drammon Bridge 104, 84 CR 55, 36 EC 37, 59 ER 97, 87 ER 10 09 Enort Dv Cpn. 9, 84 Eboort Dv Cpn. 9, 84	150	Change on Bid Offer day week Yield \$23, \$59, \$10, \$23, \$10.18 \$33, \$24, \$2, \$2, \$2, \$10.19 \$34, \$34, \$2, \$2, \$2, \$2, \$3, \$3, \$34, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$3, \$3, \$2, \$2, \$2, \$2, \$2, \$3, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$2, \$2
E.C 3/1 58	150	594 100 -04 -07 10.10 4001 4001 0 -03 10 04
F:R 10 09	150	100 1001 -01, -04 10.22
E-nort Dv. Con. 9.85 84	150	100-, 100-, -0-, -0-, 9.91
E-port DV Cpn. 94 84	100	9714 9714 0 -01 9.52
Expertinent 9 86	501 700	951, 953, -01, -03, 3.04
Finland 95, 89	100	981. 99 0 -01 10.06
STE Finance Sty 84	50	974 974 +04 -04 10.14
Gill Forance 9% 89	-55	95', 96', -04 -07 10.43
C. In the F. Of Co.	100 50	974 984 D - U3 10.09
Hospital, Fin. 3% 63	125	20 20 - 01 - 01 9.97
Hespital 0/9 9 83	25	951 961 0 -01 10.09
Hudson Bay Co. 10 94	50	99% 99% -0% -0% 10.03
ITT Antilles 31, 28	75 ·	934 984 0 -0% 10.07 951 96 -71 -73 10.39
Kennecott Int. 91, 86 Munitoba 91, 89 Nat Des Telecm. 91, 86 New Brunswick 93, 94	75	965, 97, +05, -0, 10,00
Na: Des Telecm. 91, 86	100	98', 96', +0', -0', 9.83
New Brunswick 93, 94	75	93% 97% 0 -0% 10.14
Norsk Hydro 9½ 94	50 50	99', 99', -0', -0', 10.0' es est -nt, -nt, 9.87
Norway 93 84	150	1001, 1001, 0 0 9.84
Norway 93, 81 Norway 91- 84	150	981, 99 +01, -01, 9.82
Nova Scotta Pwr. 94 39	50	974 981 +04 -04 10.07
Occidental Fin. 10's 84	50	993, 997, 0 -04, 10,34
Orient Leasing 91, 86 Pennwalt O/S F. 91, 84	25 25	1951 90' U — U 3 10.00
Partland 10 84	ÉÖ	971 971 +04 -04 10.72
Quebec Hydro 10 99	75	961 961 -04 -04 10.42
Redland Fin XW 91-91	25	9112 9234 0 -01 10.74
Sears Roeblick 5 oz	150 40	984 984 +04 -04 5.70 987 981 -01 -1 10,10
Stockholm are an	100	985 991 0 -05 9.92
Smeden 94 86	200	98 99 0 -0 9.89
Occidental Fin. 101, 86 a. Pennivalt O/S F. 91, 86 Pennivalt O/S F. 91, 84 Partiand 10 84 Onebec Hydro 10 99 Badland Fin. XW 91, 91 Sears Roebict 9 82 Shockholm 91, 93 Sweden 91, 89 Sweden 91, 89 Strieden 91, 89 Iliniever NV 91, 87	100	964 974 0 -04 9.81
Warner-Lambort 9 84	100 .	97°, 97°, 0 —0°, 3.00
DEUTSCHE MARK		Change on
STRAIGHTS	Issued	Bid Offer day week Yield
American Ex. Int. 51, 87	70	Bid Offer day week Yield 93's 94's 0 +0's 6.53
Arguntina 61, 88	150	891, 90 -01, +01, 8.13
Argentina /12 89	150 150	94's 34's +0's +0's 0-27
Ranco Desarrollo 74 86	100	941 961 +01 +01 8.27
Daniel C1 60		***************************************
RTICIANS O 2882 64 85	100	974 974 0 +02 7.11
Bg. Ext. Algerie 7's 85	100 100 150	974 974 0 +01 7.11 954 964 +04 +02 8.13
Burclays O sees 64 85 Bq. Ext. Algerie 74 85 Broad 74 87	100 100 150 150	971, 971, 0 +61, 7.11 953, 961, +01, +02, 8.13 96, 962, -01, -01, 7.90
Bq. Ext. Algerie 7's 85 Brazil 7's 87 CECA 6 88 CECA 7 91	700 100 150 150 150	971, 971, 0 +01, 7.11 951, 981, +01, +02, 8.13 96 961, -01, -02, 7.80 811, 911, +01, +02, 7.27 972, 982, 0 +02, 7.25
Argentina 7½ 89	100 100 150 150 150 75	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96¼ -0½ -0½ 7.20 91½ 91½ +0½ +0½ 7.27 97½ 98¾ 0 +0½ 7.25 89¾ 90¼ +0½ +0½ 7.35
Barctays O sees of as Bq. Ext. Algerie 7° 85 Brazil 7° 87	100 100 150 150 150 75 130	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96½ +0½ -0½ 7.20 91½ 91½ +0½ +0½ 7.27 97½ 98½ 0 +0½ 7.25 89½ 90½ +0½ +0½ 7.35 92½ 92½ -0½ -0½ 7.39
Barciays O sees 64 86. Eq. Ext. Algerie 75 85 Brazil 74 87	100 190 150 150 150 75 130 100	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96½ -0½ -0½ 7.30 91½ 91½ +0½ -0½ 7.25 95½ 90½ +0½ +0½ 7.25 95½ 90½ +0½ +0½ 7.35 93½ 99 -0¼ +0⅙ 7.43 94 94 0 0 0 7.03
Barclays O 5885 64 80. Ext. Algerie 7% 85 Brazil 74 87	100 150 150 150 150 75 130 100 100	97½ 97½ 0 +6½ 7.11 95½ 96¾ +0½ +0½ 8.13 96 96¾ +0⅓ +0⅓ 7.27 91½ 91½ +0⅓ +0⅓ +0⅙ 7.27 87½ 98¾ 0 +0⅓ +0⅙ 7.25 89¾ 90⅓ +0⅓ +0⅙ 7.35 93½ 92¾ -0⅙ +0⅙ 7.35 94 94¾ 0 0 0 7.37
Barciays O sees 64, 86, 87, Algerie 74, 85 Brazil 74, 87 CECA 6 88 CECA 7 91 Copenhagen City 6 90. Council of Eur. 74, 88 Council of Eur. 74, 88 Denmark 61, 85 EiB 61, 91	100 100 150 150 150 75 130 100 100 200	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96½ -0½ -0½ 7.20 91½ 91½ +0½ +0½ 7.27 97½ 98½ 0 +0½ 7.25 89½ 90½ +0½ +0½ 7.35 92½ 92½ 92½ -0½ -7.39 93½ 94½ -0½ 0 7.03 93½ 94½ -0½ 0 7.37 93¾ 94½ -0½ 1.27
Bariclays O sees 64 86 89. Ext. Algerie 75 85 Brazil 74 87 CECA 6 88 CECA 7 91 Copenhagen City 6 90. Council of Eur. 64 88 Council of Eur. 74 88 Council of Eur. 75 85 Denmark 52 85 Eur. Brazil 62 89 EliB 67 91 EliB 77 89	100 100 150 150 150 75 130 100 100 200 200	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96½ -0½ -0½ 7.50 81½ 91½ +0½ +0½ 7.25 85½ 90½ +0½ +0½ 7.25 85½ 92½ +0½ +0½ 7.35 95½ 92½ +0½ +0½ 7.33 94 94½ -0½ 0 7.37 93¾ 94½ +0½ 0 7.37 93¾ 94½ +0½ 7.27 100¾ 101½ 0 +0½ 7.37
Bariclays O sees 64 86. Ext. Algerie 7% 85 Brozil 74 87 CECA 6 88 CECA 7 91 Copenhagen City 6 90. Council of Eur. 7% 85. Council of Eur. 7% 85. Denmark 54 85 Ele 6*2 91 Ele 6*2 91 Ele 7*2 88 Eletrobras-Brozil 7 87.	100 100 150 150 75 130 100 100 200 200 100	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96½ +0½ +0½ 7.20 91½ 91½ +0½ +0½ 7.27 97½ 98½ 0 +0½ 7.25 89½ 90½ +0½ +0½ 7.35 93½ 92½ 92½ -0½ +0½ 7.33 93½ 94½ +0½ +0½ 7.27 93½ 94½ 0 +0½ 7.27 10½ 101½ 0 +0½ 7.27 94½ 94½ -0½ +0½ 7.27 94½ 94½ -0½ +0½ 7.27 94½ 94½ -0½ +0½ 7.27
Barciays O sees 64 86. Ext. Algerie 7% 85 Brazil 74 87 CECA 6 88 CECA 7 91 Council of Eur. 64 88 Council of Eur. 74 89 Council of Eur. 74 89 Denmark 54 85 EiB 62 91 EiB 72 88 EiB 63 91 Eufolima 64 83	100 150 150 150 75 130 100 100 200 200 100 100	97½ 97½ 0 +6½ 7.11 95½ 96¾ +0½ +0½ 8.13 96 96¾ +0⅓ +0¾ 7.27 91½ 91¼ +0¾ +0¾ 7.27 87½ 98¾ 0 +0½ 7.25 89¾ 80¼ +0¾ +0¾ 7.35 32¾ 92½ 92½ -0¾ -0% 7.35 93½ 99½ -0¾ -0% 7.33 94½ 94½ 0 0 7.37 93¾ 94½ +0¾ +0½ 7.27 10¾ 10¾ 0 +0½ 7.27 10¾ 10¾ 0 +0¼ 7.37 93½ 93½ 0 +0¾ +0½ 7.27 10¾ 10¾ 0 +0¼ 7.37 93½ 93½ 0 +0¾ +0½ 6.66 98½ 93½ 0 +0% 6.66
Council of Eur. 64 88 Council of Eur. 74 89 Denmark 54 85 Denmark 64; 89 ElB 64 91 ElB 71; 89 Eletrobras-Brazil 7 87 Eurofma 64; 89 Finland 6 83	130 100 100 100 200 200 100 100 150	97½ 97½ 0 +6½ 7.11 95½ 96½ +0½ +0½ 8.13 96 96¾ -0⅓ -0¾ 7.27 91½ 91½ +0¾ +0½ 7.27 97½ 98¾ 0 +0½ 7.25 89¾ 90¼ +0½ +0½ 7.35 92¾ 92¼ -0¼ -0½ 7.35 93½ 92¼ -0¼ -0¼ 7.43 94 94½ 0 0 0 7.33 93¾ 94½ +0½ +0½ 7.27 100¾ 101½ 0 +0½ 7.37 94¾ 94¾ 0 +0½ 7.37 94¾ 95¾ +0¼ +0½ 7.37 98¾ 95¾ +0¼ +0¼ 6.66 98¾ 95¾ +0¼ +0% 6.26 94¾ 95¼ +0½ +0% 6.26
Council of Eur. 64 88. Council of Eur. 74 89 Denmark 52 85 Denmark 62 89 EIB 63 91 EIB 72 89 Eletrobras-Brazil 7 87 Eletrobras-Brazil 7 87 Finland 6 83 Irdanesia 7 84 Megal Fin. 7 89	130 100 100 100 200 200 100 150 150	\$33, \$44, \$0, \$0, \$1.53 \$891, \$0, \$0, \$0, \$0, \$1.53 \$891, \$90, \$0, \$0, \$0, \$1.53 \$891, \$90, \$0, \$0, \$0, \$1.53 \$891, \$90, \$0, \$0, \$0, \$1.53 \$891, \$90, \$0, \$0, \$0, \$1.53 \$91, \$91, \$0, \$0, \$0, \$1.53 \$91, \$91, \$0, \$0, \$0, \$0, \$0, \$1.53 \$91, \$91, \$0, \$0, \$0, \$0, \$0, \$0, \$0, \$0, \$0, \$0
Council of Eur. 64 88. Council of Eur. 74 89 Denmark 52 85 Denmark 62 89 EIB 63 91 EIB 72 89 Eletrobras-Brazil 7 87 Eletrobras-Brazil 7 87 Finland 6 83 Irdanesia 7 84 Megal Fin. 7 89	130 100 100 100 200 200 100 150 150	100% 100% +0% +0% 6.37 96% 97% -0% +0% 6.81
Council of Eur. 64 88. Council of Eur. 74 89 Denmark 52 85 Denmark 62 89 EIB 63 91 EIB 72 89 Eletrobras-Brazil 7 87 Eletrobras-Brazil 7 87 Finland 6 83 Irdanesia 7 84 Megal Fin. 7 89	130 100 100 100 200 200 100 150 150	100° 100° +0° +0° +0° 6.37 98° 97° -0° +0° 6.81 99° 100° +0° +0° 6.55
Council of Eur. 64 88. Council of Eur. 74 89 Denmark 52 85 Denmark 62 89 EIB 63 91 EIB 72 89 Eletrobras-Brazil 7 87 Eletrobras-Brazil 7 87 Finland 6 83 Irdanesia 7 84 Megal Fin. 7 89	130 100 100 100 200 200 100 150 150	100% 100% +0% +0% 6.37 96% 97% -0% +0% 6.81 99% 100% +0% +0% 6.55 97% 93% +0% +1 6.71
Council of Eur. 64 88. Council of Eur. 74 89 Denmark 52 85 Denmark 62 89 EIB 63 91 EIB 72 89 Eletrobras-Brazil 7 87 Eletrobras-Brazil 7 87 Finland 6 83 Irdanesia 7 84 Megal Fin. 7 89	130 100 100 100 200 200 100 150 150	100% 100% +0% +0% 6.37 96% 97% -0% +0% 6.81 99% 100% +0% +0% 6.55 97% 93% +0% +1 6.71
Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 74 89. Council of Eur. 74 89. Denmark 52 89. Ei8 69 91. Ei8 79 89. Eietrobras Brazil 7 87. Euisinna 61 89. Indonesia 7 84. Megal Fin. 7 89. Missubish Chem. 62 84. New Zealand 64 87. Nippon Kokan 69 84. Nippon Kokan 69 84. Nippon Fal. & T. 55 87. Nordic Inv. 88. 64 86	130 100 100 100 200 200 100 150 150 150 100 100 100 100 100 1	100' ₃ 100' ₄ + 03 ₄ + 05 ₂ 6.37 98' ₄ 97' ₅ - 01 ₄ + 05 ₄ 6.81 99' ₄ 100' ₄ + 01 ₄ + 01 ₅ 6.55 92' ₄ 93' ₄ + 01 ₄ + 01 ₄ 7.19 1075, 103' ₄ + 103 ₄ + 103 ₄ 7.19
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Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 74 89. Denmark 57 85. Denmark 57 89. El8 69 91. El8 79 89. Eletrobras-Brazzil 7 87. Eletrobras-Brazzil 7 87. Euriofima 61, 89. Indonesia 7 84. Megol Fin. 7 89. Misubishi Chem. 62 84. Misubishi Chem. 62 84. Nippon Kokan 62 87. Nippon Kokan 62 87. Nippon Tal. & T. 54.	130 100 100 200 200 100 100 150 700 150 150 150 150 150 150 150	100, 100, +03, +05, 6.37 981, 971, -01, +05, 6.81 991, 100, +05, +05, 6.81 992, 100, +05, +05, 6.55 923, 932, +05, +1, 6.71 941, 952, +03, +03, -7.33 101, 1015, +05, +05, 5.90 931, 94, +05, +05, 7.58
Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 74 89. Denmark 57 85. Denmark 57 89. El8 69 91. El8 79 89. Eletrobras-Brazzil 7 87. Eletrobras-Brazzil 7 87. Euriofima 61, 89. Indonesia 7 84. Megol Fin. 7 89. Misubishi Chem. 62 84. Misubishi Chem. 62 84. Nippon Kokan 62 87. Nippon Kokan 62 87. Nippon Tal. & T. 54.	130 100 100 200 200 100 100 150 700 150 150 150 150 150 150 150	1001, 1001, +01, +02, 6.37 981, 971, -01, +01, 6.81 991, 1001, +01, +01, 6.55 921, 532, +01, +1, 6.71 941, 951, +01, +02, 7.19 1021, 1031, +01, +02, 7.38 1011, 1011, +01, +02, 7.58 961, 971, +02, +03, 7.58 961, 972, +02, +01, 6.96 924, 932, 0, +01, 7.27
Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 74 89. Denmark 52 85. Denmark 52 89. EiB 63 91. EiB 73 89. Eibtrobras-Brozil 7 87. Eibtrobras-Brozil 7 87. Eutiofima 63 89. Indonesia 7 84. Megal Fin. 7 89. Missubish Chem. 63 84. New Zealand 64 87. Nippon Kokan 63 84. Nippon Kokan 63 84. Nippon Tel. 8 T. 53 87. Nordic Inv. 88 63 86. Nordes Komm. 73 91. Norway 63 84. OCHIGENIA 64 90. OCHIGENIA 88.	130 100 100 200 100 100 150 150 150 150 160 150 150 150 150 150 150 150 150 150 15	1001, 1001, +01, +02, 6.37 981, 971, -01, +01, 6.81 991, 1001, +01, +01, 6.55 921, 532, +01, +1, 6.71 941, 951, +01, +02, 7.19 1021, 1031, +01, +02, 7.38 1011, 1011, +01, +02, 7.58 961, 971, +02, +03, 7.58 961, 972, +02, +01, 6.96 924, 932, 0, +01, 7.27
Council of Eur. 64 88. Council of Eur. 74 89. Council of Service	130 100 100 200 100 100 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 981, 971, -01, +01, 6.81 991, 1001, +01, +01, 6.55 921, 932, +01, +01, 6.55 921, 932, +01, +02, 7.19 1021, 1031, +01, +02, 7.38 1031, 94, +02, +02, 7.58 961, 971, +02, +02, 7.58 963, 971, +02, +02, 7.58 963, 991, +01, +11, 6.71 891, 891, +01, +12, 6.71
Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 74 89. Denmark 52 85. Denmark 52 89. EiB 63 91. EiB 73 89. Eibtrobras-Brozil 7 87. Eibtrobras-Brozil 7 87. Eutiofima 63 89. Indonesia 7 84. Megal Fin. 7 89. Missubish Chem. 63 84. New Zealand 64 87. Nippon Kokan 63 84. Nippon Kokan 63 84. Nippon Tel. 8 T. 53 87. Nordic Inv. 88 63 86. Nordes Komm. 73 91. Norway 63 84. OCHIGENIA 64 90. OCHIGENIA 88.	130 100 100 200 100 100 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 981, 971, -01, +01, 6.81 991, 1001, +01, +01, 6.55 921, 532, +01, +1, 6.71 941, 951, +01, +02, 7.19 1021, 1031, +01, +02, 7.38 1011, 1011, +01, +02, 7.58 961, 971, +02, +03, 7.58 961, 972, +02, +01, 6.96 924, 932, 0, +01, 7.27
Council of Eur. 64 88. Council of Eur. 74 89. Council of Service S	130 100 100 200 200 100 100 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.19 102's 103's +01, +02, 7.38 103's 103's +01, +02, 5.90 93's 94 +03, +02, 7.58 96's 97's +02, +03, 6.96 92's 93's 0 +01, 7.27 88's 89's +01, +01, +11, 6.71 89's 89's +01, +11, 7.24
Council of Eur. 64 88. Council of Eur. 74 89. Council of Service S	130 100 100 200 200 100 100 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.19 102's 103's +01, +02, 7.38 103's 103's +01, +02, 5.90 93's 94 +03, +02, 7.58 96's 97's +02, +03, 6.96 92's 93's 0 +01, 7.27 88's 89's +01, +01, +11, 6.71 89's 89's +01, +11, 7.24
Council of Eur. 64 88. Council of Eur. 74 89. Council of Service S	130 100 100 200 200 100 100 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.19 102's 103's +01, +02, 7.38 103's 103's +01, +02, 5.90 93's 94 +03, +02, 7.58 96's 97's +02, +03, 6.96 92's 93's 0 +01, 7.27 88's 89's +01, +01, +11, 6.71 89's 89's +01, +11, 7.24
Council of Eur. 64 88. Council of Eur. 74 89. Council of St. 89. Coun	130 100 100 100 200 200 100 100 100 150 150 150 150 150 200 150 200 150 200 150 200 150 150 200 150 200 150 200 150 200 200 150 200 200 200 200 200 200 200 200 200 2	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.38 101's 101's +01, +02, 7.38 101's 101's +01, +02, 7.58 96's 97's +02, +03, 7.58 96's 97's +02, +03, 6.96 92's 93's 0 +01, 7.27 98's 99's +01, +01, +01, 6.71 89's 89's +01, 0 7.94 93's 93's +01, +11, 7.24 Change on Bid Offer day week Yield 92's 93 -01, -01, 4.18 92's 93 -01, -01, 4.18 93's 86's +02, +07, 4.86
Council of Eur. 64 88. Council of Eur. 74 89. Council of St. 89. Coun	130 100 100 100 200 100 100 150 150 150 150 150 150 200 150 200 150 200 150 150 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.38 101's 101's +01, +02, 7.38 101's 101's +01, +02, 7.88 96's 97's +02, +03, 7.88 96's 97's +02, +03, 6.96 92's 93's 0 +02, 7.27 98's 99's +01, +01, +02, 7.89 93's 93's +01, +11, 7.24 Change on Bid Offer day week Yield 92's 93 -02, -04, 4.18 93's 83's 86's +03, +07, 4.86 102's 105 -04, +12, +07, 4.86 102's 105 -04, +12, +07, 4.86
Council of Eur. 64 88. Council of Eur. 74 89. Council of Eur. 75 89. Cuiofima 61 83. Ir donesia 7 84. Megal Fin. 7 89. Missubish Chem. 61 84. Nispon Kokan 61 87. Nippon Kokan 61 84. Nippon Kokan 62 84. Nippon Tel. 8 T. 51 87. Nordic Inv. Bk. 61 86. Norges Komm. 74 91. Nordic Inv. Bk. 61 86. Norges Komm. 78 91. Norway 61 84. OV.8 61 88. OV.8 61 88. SWISS FRANC STRAIGHTS Amer. Exp. Int. 31, 93. Asian Dev. Bunk 31, 94. August 33. August 33.	130 100 100 100 200 100 100 150 150 150 150 150 150 200 150 200 150 200 150 150 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.38 101's 101's +01, +02, 7.38 101's 101's +01, +02, 7.88 96's 97's +02, +03, 7.88 96's 97's +02, +03, 6.96 92's 93's 0 +02, 7.27 98's 99's +01, +01, +02, 7.89 93's 93's +01, +11, 7.24 Change on Bid Offer day week Yield 92's 93 -02, -04, 4.18 93's 83's 86's +03, +07, 4.86 102's 105 -04, +12, +07, 4.86 102's 105 -04, +12, +07, 4.86
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Change on Bid Offer day week 3, +03, +03, +03, +03, +03, +03, +03, +
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Change on Bid Offer day week 3, +03, +03, +03, +03, +03, +03, +03, +
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Change on Bid Offer day week 3, +03, +03, +03, +03, +03, +03, +03, +
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Change on Bid Offer day week 3, +03, +03, +03, +03, +03, +03, +03, +
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +1, 7.24 Change on Bid Offer day week 3, +03, +03, +03, +03, +03, +03, +03, +
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1003, 1001, +03, +02, 6.37 984, 977, -01, +03, 6.81 994, 1003, +03, +04, 6.55 927, 933, +05, +1, 6.71 947, 953, +03, +1, 6.71 947, 953, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 1013, 1013, +03, +23, 7.38 953, 972, +03, +03, 6.36 924, 932, 0 +02, 7.27 883, 894, +03, +1, 7.27 883, 894, +03, +1, 7.24 Change on Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Bid Offer day week Yield 921, 93, +03, +03, +13, 7.24 Change on Bid Offer 649, +03, +03, 4.18 931, 864, +03, +03, 4.33 951, 961, +03, +03, 4.33 953, 964, +03, +03, 4.33 955, 964, +03, +03, 4.33
Council of Eur. 64 88. Council of Eur. 74 89. Council of September 89. Council of September 99. Council of	130 100 100 100 200 200 100 150 150 100 150 200 150 400 150 400 150 400 150 400 150 150 400 150 150 150 150 150 150 150 150 150 1	1001, 1001, +01, +02, 6.37 98's 97's -01, +03, 6.81 98's 1001, +01, +01, 6.55 92's 93's +01, +03, 6.55 92's 93's +01, +03, 7.38 101's 101's +01, +02, 7.38 101's 101's +01, +02, 7.88 96's 97's +02, +03, 7.88 96's 97's +02, +03, 6.96 92's 93's 0 +02, 7.27 98's 99's +01, +01, +02, 7.89 93's 93's +01, +11, 7.24 Change on Bid Offer day week Yield 92's 93 -02, -04, 4.18 93's 83's 86's +03, +07, 4.86 102's 105 -04, +12, +07, 4.86 102's 105 -04, +12, +07, 4.86

Bid Offer day week Yield 85½ 87½ +0½ +0½ 7.23 93½ 94½ +0½ +0½ 7.23 89½ 90½ +0½ +0½ 8.16 91½ 92½ +0½ +0⅓ 7.84 90% 91¾ 0 +0% 8.38

1					Chan	ge on	
1	ATTER CONTROLLE		4 6.4				
ı		ssue					Yield
ı	Neardic I. Bk. 9 84 SDR	20	96	97',	+04	+0%	9.88
ı	Arron Fin. 104 86 CS	25	9512	965.	-01-	-0:	11,02
ı		50	99		77	- 61	40.00
ı	Er. Dov. Cpn. 10 84 C\$			991,			10.19
ı	Fast. Can. Inv. 10 84 C\$	50	98½	985a	-0°s	-0%	10,43
ı	.Heedson Bay 10½ 29 CS	60	995				10.59
ı							
ı	Quebec 104 86 C\$	50	97				10.82
ı	R. 134: Canada 10 86 CS	49	<u>991</u>	995.	− 0°,	-03	10.12
ı	P. Bk. Canada 10 94 CS	40	951				10,53
ı							
ł	Copenhagen 81, 91 EUA	25	97%			0	
Į	Komm. Inst. 74 93 EUA	15	94%	OF 5	-04	$+\omega$.	8,10
Į	SOFTE 84 89 EUA	40	1951	٠ <u>.</u>	Α.	-o-	8.83
1				3/.	. <u>v.</u>	-0.1	9.63
1	Algemene Bk. 6% 83 Fi	75	91%				8.79
ł	CFE Mexico 74 83 Fl	75	941	947	-04-	+01-	9.45
Ļ	CID TO SEE!						
ŀ	FIB 74 85 F1	75	91 ¹ 2				9.09
ı	Nod. Middbk. 8월 84 Fl	75	981	991.	+012	+0%	8.53
ı	New Zealand 83 84 Fl	75	91%	923.	+w.	+0	8.31
ı				- T		1.05	2.00
ı		100	974	36	TUS	TUE	E.87
ı	Elf Aquitaine 93 88 FFr	150	90	91 91	0		11.43
ŀ		200	190	91	n	-04-	11,46
ı			90	~	×		11.65
ì		150					
ı	Norwey 9½ 84 FFr	200	924	937	0	-0.2	11.37
ł		175	90 -	91	0	- 13.	11.69
ı		130	904	041	2.01.	- 71	71.81
1				51.8	TUT	-67	11.01
l	Solvay et Cie 9% 87 FFr	125	90	91			11,66
ı		150	89	90	0	-14	11,49
l		100					11.20
l	1211105501 10 00 111 111111		34.8	207			
ŧ	Citicosto 10 93 £	20	937	944	+0.8	+02	10.86
ı	FIB 91, 88 £	25	90%	911,	-04	+01-	11.40
Į	710 347 00 E	25	051	063	-03	01	12.23
ĺ	FIB 114, 91 £		20.5	20.5	-v:	- 974	12.63
ı	Finance for Ind 13 91 E	15	103%	7047	-0%	-11.6	12.29
ĭ	Fin. for Ind. 121- 89 £	30	101	1011,	Ω	- 4-07∎	12.27
1	A	50	1011	101%	'n	+00,	12.20
ŀ	Gen. Elec. Co. 124 89 E				×		9.20
ı		5/2)	96				8.63
1	Norges Km. 8 AG LuxFr	-00	957.	967	$-m_{\perp}$	-04	8.79
ı	Only Clay of 9 on Lucie	ELD.	971.	981	מ	0	8,36
ı							
ı	Solvay Fin. 8 85 LuxFr	500	32,5	20,	TV	-0.4	8.76
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1	FLOATING RATE						
ı	LIONING INTE		D:4 A	E C	de C		Cula
ı	FLOATING RATE NOTES	880	BIQ U	1151 C.	une c		0.710
1	BFG Fin. Co. 51, 89	Ψ4.	363 5	17 g	/1 T	П.	17.73
ı	BNDE 6 89	07.	97% 5	21	/9 1	114	11.40
ı	Panas di Roma 6 87			i 75	/10 1		

Solvay Fin. 8 85 LuxFr	500	95	7. 9.	7. +0	· -04	8.76
FLOATING RATE					_	_
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BFG Fin, Co. 51, 89 BNDE 6 89	01 ₄	974	98 98	21/9	114	11 40
Banco di Roma 6 87	ᅄ	98 ¹ 2	99	25/10	11.19 111 ₂	11.33 11.76
Bco. Nata Argent 7 86	0-4 0-7	97½ 98¾	98 99	22/9 12/8	11/2	11.76
Banco Prov. BA 72 86 Banco Umquijo 6 86	0½	97%	98 Y	21/9	1112	11.72
Bank of Tokyo 51, 93	024	987	99/4	18/10	11%	11.85 12.42
Bq. Ext. of Alg. 71, 85 Bque, Indo Suez 51, 89	0% 0%	95%	30.3	2/11 11/1 22/2	11	11.14
8NP 512 91	012	983	987	22/2	113	11.53
8NP 51, 91	1014	991 ₂	7631	8/9 14/9	10.69	10,71 11,01
Gotabanken 6 88	#014 014	387	29 ¹	15/5	117	11.65
ind. Bk. Japan 5½ 85	04	997,	100	1/12	10.94	70.S7
Juqobanka A 89	0% 0%	951	4000	23/11 9/10	11%	12.34 11.64
LTCB Japan : 51, 85 LTCB Japan : 52, 89	014	99	391,	7/12 23/8	ii	11.21
Mirs. Han0/S 54 94 Nat. West. 154 94	‡0½	994	995,	23/8	11.19	11.26
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OKS 53. 88	u-	. 384 7			11.44 12.06	11.47 12.17
Petro Mexicato 7 84	014 078	957	964	24/7 20/12	11.58	12.03
Common St. STO	034	98	981,	11/1	10.94	11.13
Sundsvallsbritn. 6 85 Taxas Int. Alieways 7 86	04 04	961 <u>,</u>	98% 97	4/10	11.06 11.58	11.25 11.95
Texas Int. Arrways / 00 TVO Pwr. 9 91 /D-lock)	ο., Ο.,	97%	98'L	24/11	11.14	11,35 11,39
Utel. Overseam Rk. 6 89	034	9712	98	29/9	11,14	11.39
Urd. Overseate Rk. 6 89 Bq. E. d'Alos. 41, 89 SF	05	†97½	98 98	29/9 18/12	11.14 41 ₄	4.35
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE	O ⁵ a Cov.	†97⁴₂ Cnv.	98	18/12	Chg.	4.35
Bq. E. d'Ala. 24, 89 SF CONVERTIBUE	O ⁵ a Cov. date	t97½ Cnv. price	98 Bid	18/12	Chq.	11.39 4.35 Prem
Bq. E. d'Ala. 41, 89 SF CONVERTIBUE BONDS AGA Akt'bole 7 71, 89 Cha-Garry O/S F 4 94	05 Cov. date 10/79 9/79	197 ¹ 2 Cnv. prica 174 676	98 Bid 94 ¹ 93 ²	18/12 Offer 2 951	Chq.	4.35 Prem 0.26
Bq. E. d'Ala. 41, 89 SF CONVERTIBUE BONDS AGA Akt'bole 7 71, 89 Cha-Garry O/S F 4 94	05 Cov. date 10/79 9/79	197 ¹ 2 Cnv. prica 174 676	98 Bid 941 932 842	18/12 Office 2 951 2 941 2 857	Chq. cay -03 +04	4.35 Prem -0.26 3.67 15.38
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AFA Akt'bole-7 73, 89 Cloa-Geigy O/S F. 4 93 Credit Suisse 42, 93 Credit Suisse 42, 93	05 date 10/79 9/79 4/79 0/79 9/79	t97½ Cnv. price 174 575 • 9 1325	98 Bid 94 ¹ 93 ² 84 ² 104 ²	18/12 Office 2 951 2 941 2 857 2 7057	Chq.	4.35 Prem -0.26 3.67 15.38 3.42
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AFA Akt'bole-7 73, 89 Cloa-Geigy O/S F. 4 93 Credit Suisse 42, 93 Credit Suisse 42, 93	05 date 10/79 9/79 4/79 0/79 9/79	t97½ Cnv. prica 174 575 . 9 1325 159 532	98 Bid 94 ¹ 93 ² 84 ² 104 ² 96 ² 97 ²	18/12 Offici 2 95% 2 94% 2 85% 2 105% 4 96%	Chq. chq. day -04 +04 +04 -04 +04 -04 -04	4.35 Prem -0.26 3.67 15.38 3.42 -1.97 6.38
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AFA Akt'bole-7 73, 89 Cloa-Geigy O/S F. 4 93 Credit Suisse 42, 93 Credit Suisse 42, 93	05 date 10/79 9/79 4/79 0/79 9/79	t97½ Cnv. prica 174 575 · 9 1325 159 532 35	98 Bid 94 ¹ 93 ¹ 84 ¹ 104 ¹ 96 ¹ 97 ¹	18/12 Offer 2 95% 3 94% 2 105% 4 96% 4 97%	Chq. day01 +01	4.35 Prem -0.26 3.67 15.38 3.42 -1.57 6.38 13.01
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AFA Akt'bole-7 73, 89 Cloa-Geigy O/S F. 4 93 Credit Suisse 42, 93 Credit Suisse 42, 93	05 date 10/79 9/79 4/79 0/79 9/79	t97½ Cnv. prica 174 575 · 9 1325 159 532 35 735	98 Bid 94 93 84 104 96 97 101 82 87	18/12 Offer 2 95 ¹ / ₂ 95 ¹ / ₂ 2 85 ² / ₂ 205 ² / ₂ 3 95 ² / ₂ 96 ² / ₂	Chq. day -03-1 +01	4.35 Pram -0.26 3.67 15.38 3.42 -1.97 6.38 13.01 2.98
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AFA Akt'bole-7 73, 88 Crea-Cof3 Bottling 94 Credit Suisse 42, 93 Esselts 73, 89 Esselts 74, 89 LPC Internatel. 8 89 LPC Internatel. 8 89 Nitto Elec. Ind. 6 94 Novo Industri 7 89	0% Cov. dats 10/79 9/79 4/79 10/79 5/79 5/79 4/79 12/78	197- ₂ Cnv. prica 174 5.6 1325 1325 35 735 259 588	98 Bid 94 ¹ 95 ¹ 96 ¹ 97 ¹ 101 ² 82 ³ 87 80 ⁵	18/12 Offer 2 95 ² 2 95 ² 2 105 ² 2 105 ² 4 96 ² 1 102 ² 8 33 ² 8 31 ²	Chq. chq. -03- +04- -04- -04- -04- -05- -05- -05- -05- -	4.35 Pram -0.26 3.67 15.38 3.42 -1.97 6.38 13.01 2.98 2.91 15.65
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS Ara Akt'bole; 73, 88 Ciba-Geigy O/S F. 4 94 Coca-Cofa Bottling 61 Credit Suisse 62, 93 Esselts 73, 89 LPC Internated. 8 89 LPC Internated. 8 89 Navo Industri 7 89 Asehi Opticel 82 DM	0% Cnv. dats 10/79 9/79 4/79 5/79 5/79 7/79 12/78 7/79	197-2 Cnv. prices 174 576 - 9 1325 159 532 35 735 259 5475	98 Bid 94 ¹ 94 ¹ 104 ¹ 96 ¹ 97 ¹ 101 ² 82 ³ 87 80 ⁵ 98 ¹	18/12 Offer 2 95% 5 94% 2 85% 2 105% 4 95% 4 95% 4 95% 8 814 4 884 8 814 4 884	41 _a Chq. day -01 _a +01 _a -01 _a +01 _a -01 _a -01 _a -01 _a -01 _a -01 _a -01 _a	4.35 Pram 0.28 3.67 15.38 3.42 1.97 6.38 13.01 2.98 15.65 25.40
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS Ara Akt'bole; 73, 88 Ciba-Geigy O/S F. 4 94 Coca-Cofa Bottling 61 Credit Suisse 62, 93 Esselts 73, 89 LPC Internated. 8 89 LPC Internated. 8 89 Navo Industri 7 89 Asehi Opticel 82 DM	0% Cnv. dats 10/79 9/79 4/79 5/79 5/79 7/79 12/78 7/79	197-2 Cnv. prices 174 576 - 9 1325 159 532 35 735 259 5475	98 Bid 94 ¹ 94 ¹ 104 ¹ 96 ¹ 97 ¹ 101 ¹ 82 ¹ 87 80 ⁵ 98 ¹ 90 ¹	18/12 Official 2 95/2 2 95/2 2 705/2 4 96/2 4 96/2 4 96/2 5 97/3 5 81/4 5 81/4 2 81/4 2 81/4 2 81/4	Chg. day -0's +0's -0's +0's -0's +0's -0's -0's -0's -0's -0's -0's -0's -	4.35 Prem -0.28 3.67 15.38 3.42 -1.53 13.01 2.91 15.49 15.49 38,51
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AffA Akt'bole-7 73, 88 Cloa-Geigy O/S F. 49 S1 Credit Suisse 42, 93 Esselts 73, 89 LPC Internated. 8 89 LPC Internated. 8 94 Novo Industri 7 89 Asahi Optical 32 DM Jusco 31, 88 DM	0% Cnv. date 10/79 9/79 4/79 5/79 5/79 5/79 12/78 7/79 12/78 1/79 4/79	197-2 Cnv. prica 174 576 3 1325 159 532 35 735 588 475 1154 1350	58 Bid 94 ¹ 95 ¹ 96 ¹ 97 ¹ 101 ¹ 82 ¹ 87 80 ¹ 88 ¹ 88 ¹ 88 ¹	18/12 Official 2 951 2 857 2 7052 2 7052 4 957 4 1021 8 831 2 831 2 831 2 831 3 831 3 831 3 831	Chg. day -0101010101010101	4.35 Pram -0.28 3.67 15.38 13.97 6.38 13.91 12.98 15.65 2.91 15.65 345.91 24.94
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AffA Akt'bole-7 73, 88 Cloa-Geigy O/S F. 49 S1 Credit Suisse 42, 93 Esselts 73, 89 LPC Internated. 8 89 LPC Internated. 8 94 Novo Industri 7 89 Asahi Optical 32 DM Jusco 31, 88 DM	0% Cnv. date 10/79 9/79 4/79 5/79 5/79 5/79 12/78 7/79 12/78 1/79 4/79	197-2 Cnv. prica 174 576 3 1325 159 532 35 735 588 475 1154 1350	98 Bid 94 ¹ 94 ¹ 96 ¹ 96 ¹ 97 ¹ 101 ¹ 82 ¹ 87 80 ¹ 88 ¹ 88 ¹ 88 ¹	18/12 Official 2 95/2 2 95/2 2 85/2 2 105/2 4 97/4 4 102/2 4 83/2 2 81/2 2 81/2	Chg. day -0-1 +0-1 +0-2 +0-2 +0-2 +0-2 +0-2 +0-2 +0-2 +0-2	4.35 Prama - 0.28 3.67 15.38 3.42 - 1.57 6.38 12.98 12
Bq. E. d'Ale. 41, 89 SF CONVERTIBUE BONDS AGA Akt'bole-7 73, 88 Ciba-Geigy O/S F. 4 94 Coca-Cofs Bonting 61 Credit Suisse 42, 93 Esselte 73, 89 Honds Motor 57, 89 LPC Internatial, 8 89 Novo Industri 7 89 Novo Industri 7 89 Novo Industri 7 89 Lyco 31, 86 DM Kansai Elac. 4 84 DM Kansai Elac. 4 84 DM Marudai Food 31, 85 DM	0% Cnv. date 10/79 9/79 4/79 5/79 5/79 5/79 1/79 1/79 1/79 1/79	197-2 Cnv. prica 174 576 9 1325 355 259 475 1154 1350 1154 1350 1033 1033	98 Bid 94 ¹ 93 ¹ 84 ¹ 104 ¹ 96 ¹ 97 101 ¹ 82 ¹ 87 80 ¹ 88 ¹ 88 ¹ 88 ¹ 78 ¹ 117 ¹	18/12 Official 2 95/2 2 95/2 2 85/2 2 105/2 3 97/4 1 102/2 3 83/2 2 81/2 2 81/2	Chq. day -0's +0's +0's +0's +0's +0's +0's +0's +	4.35 Prama 5 - 1 - 2.26 3.67 - 1 - 3.38 1 - 2.38 1 - 2.38 1 - 2.31 1 - 2.38 1 - 2.31 1 - 2.31 1 - 2.31 1 - 2.31 1 - 3.41 1 - 3.41 1 - 3.41
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No information available—provided a price.

† Only once market maker supplied a price.

Streight Bonds: The yield is the yield to redemption of the mid-grice; the amount issued is in millions of currency units except for. Yen bonds where it is in billions. Change on week!—Change over price a week earlier. Floating first Note: Determinated in dollars unless otherwise indicated. Coupon shown is minimum. Cate—Date next coupon becomes effective. Spread = Margin about six-month offerer! rate († three-month) for U.S. dollars. C.cpn = The current coupon. C.yid = The current yield. Convertible bondet! Denominated in dollars unless otherwise indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Change on day. Chiv. determines indicated. Cho, day = Chip. Chi

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Maryland Cup in with Kraft

By Our New York Staff

KRAFT, the leading U.S. food concern, is exploring a possible takeover of Maryland Cup, the country's largest manufacturer of single-use paper and plastic products for food and drinks.

The companies said "it would be premature to predict whether these discussions will lead to serious negotiations.

There was no indication of terms. However, Maryland Cup has 6.7m shares outstanding. These have recently been trading at around \$26, giving the potential deal a value of at least \$175m.

Kraft had sales of \$5.7bn last year, and Maryland Cup \$423m. There is an obvious logic to the link in that it would bring a major lood processor and packager under one roof. However, the announcement came after the exchanges had closed and there was no immediate market reaction.

Kraft[.] Mcanwhile, nounced that net income for the first half year has risen from \$93.3m to \$104m. or from \$3.33 to \$3.71 a share. Sales of \$3.12bn compared with \$2.77bn last time.

In the second quarter, net increased from earnings \$45.4m to \$51.9m, or from \$1,62 to \$1.85 a share on sales of \$1.56bn against \$1.38bn last

Good quarter at White Motor

By Our Financial Staff

NET INCOME of the heavy manufacturer White Motor for the second quarter moved ahead sharply from 33.2m or 37 cents a share to \$6.25m or 73 cents a share, on sales up from \$262.5m to \$304m. The income figure is struck after a tax credit of \$600,000 arising from the nartial use of an operating loss carry-forward.

For the six months, White, which recently abandoned talks with MAN of West Germany about a link between the companies, recovered from a loss of \$4.31m or 57 cents a share to a profit of \$12.92m or \$1.51 a share. The first half figures include a currency gain of \$700,000 against a loss last time of \$3.2m. The 1978 figures also included a special debit of to the s down of a truck assembly plant.

First half sales reached \$624.2m against \$544m.

TBM requests

International Business Machines has formally asked Judge David Edelstein to withdraw from the bench in the Justice Department antitrust case against IBM, AP-DJ reports from New York.

Bausch talks ended

Bausch and Lomb has announced that Cooper Labora-tories approached it some time ago to discuss the possibility of Cooper merging with Bausch, reports Reuter from Rochester, NY. After pre-liminary talks with Cooper, Bausch said that it had no interest in continuing with further discussions.

Surging fuel costs curb growth at Trans World

BY JOHN WYLES IN NEW YORK

pegged Trans World Corporation's second quarter profits growth back to 18.8 per cent, despite traffic gains stemming had expected an even moreg litfrom a strike at United Airlines and the grounding of the DC-10.

But other factors apart from fuel help to account for the more modest than expected in-crease in earnings. The cor-poration's tax bill was higher, up in the first half of the year from \$5.2m to \$11.9m, and it suffered foreign exchange losses of \$2.9m after exchange losses of \$2.8m in the first quarter,

The corporation's net income increased traffic.

SURGING fuel costs at its Trans in the second quarter rose from As a result, TWA's pre-tax in-Airlines subsidiary \$49.5m or \$2.85 per share to come rose by 46 per cent to Trans World Corpora \$58.8m or \$3.42 per share \$53.7m from \$36.7m. Hilton Although TWA's operating International, another Transincome rose by 55 per cent from World subsidiary, secured a 15-\$38.9m to \$60.1m, some analysts per cent rise in pre-tar earn-had expected an even moreg lit- ings from \$13.5 mto \$15.5m. tering performance from the while Canteen Corporation con-airline as a consequence of the tributed \$6.6m compared with United Airlines strike in May \$4.6m. Second quarter revenues for and the DC-10 grounding from

June 6 to July 13.

une 6 to July 13. the corporation were \$1.13bn
The airline's passenger miles compared with \$939m, and grew by 25.2 per cent during the revenues for the first six months quarter, yielding a 24 per cent rose from \$1.70n to \$1.97bn. The corporation's six-month

increase in operating revenues. The corporation's six month But a \$43.5m increase in the earnings after a heavy first fuel bill boosted operating quarter loss were \$11m against expenses by 22 per cent, cutting \$11.9m last year. TWA's pre-tax into the profit yielded by the loss in the first half was \$1.2m compared with \$8.7m.

Sharp reversal for Amdahl

BY OUR FINANCIAL STAFF

AMDAHL Corporation, the tenth largest computer supplier quarter fell from \$11m or 68 in the U.S. has turned in sharply lower second quarter from \$73.9m to \$56.5m. Mr. profits. Mr. John C. Lewis, Lewis said that the ratio of president of the company, said vesterday that new product announcements by International Business Machines, and customers' views of the computer market, had caused clients to delay decisions to acquire new computers, and in many cases to lease machines instead of buying them outright,

cents a share to just \$1.2m or 7 cents a share, on sales down leases to sales in the period-was the highest in its history. and he expects this high level to continue in the near future.

Mr. Lewis added that in spite of the unforeseen character of the market during the quarter, deliveries of Amdahl's 470 series of computers were higher than during the 1978 second quarter, although they were from \$137.7m to \$144m.

Net income for the second still below management's expec tations. He went on to say that the number of prospective cus tomers for Amdahl systems is strong at present, and IBM's announced price inrecently creases should create more stability

> of 1979. For the first half, Amdahl reported net income of \$14.8m or 87 cents a share, compared with \$20.6m or \$1.23 a share. Sales for the six months rose

> market during the remainder

Half-year loss at Kaiser Steel

BY OUR FINANCIAL STAFF

IN SHARP CONTRAST with tons against 603,000, and steel against \$837.5m. other steelmakers in the U.S. a shipments increased from The Inland steel against \$837.5m. gloomy picture is presented by the second quarter results of Inland Steel and Kaiser Steel. Inland, the fifth largest steel concern in the country, reported net income of \$49.15m, only slightly ahead of the \$46.17m for the corresponding period, while Kaiser's loss increased significantly from \$4.7m to \$13.7m.

Kaiser's loss was struck before income tax credits of \$8.3m compared with \$2.3m last time, and excludes its interest in the earnings of the 28.3 per centowned Hamersley Holdings of Australia, which has been on strike since May 25. Final figures for the period will be reported in early August.

\$9.8m, after tax credits of \$12m against \$9.1m last time. Revenues for the six months advanced from \$363.4m to S471m. Kaiser's president, Mr. Mark

T. Anthony, said that although steelmaking revenues and volume were both substantially higher in the quarter, the rise in shipments and higher prices were not sufficient to offset the significant increases in operating costs and the start-up costs associated with the company's modernisation programme.

Fully diluted earnings per share at Inland Steel,

The Inland said that while sales for both the quarter and These results lifted the loss the first six months reached for the first half from \$9.1m to record levels, escalating costs associated with energy, materearnings from keeping pace.

> For the first half, Inland reported net income of \$74.08m or \$3.46 a share fully diluted against \$70.35m or \$3.31 a share / Sales for the period advanced from \$1.59bn to \$1.85bn. Inland said that its order

backlog remains considerably above normal, and steel opera-tions are expected to continue at near capacity levels during compared with \$924m prethe third quarter. Despite the lacklustre start to the year, the Sales revenues for the country's most consistently company expects that full year quarter at Kaiser increased profitable steelmaker in recent results will compare favourably from \$189.4m to \$235.6m. Raw years, edged up from \$2.17 to steel production orse to 714,000 \$2.30, on sales higher at \$956.2m performance.

Seaboard to merge with Tiger

BY OUR FINANCIAL STAFF

The surprise announcement by ing stock.
Tiger, which follows bitter take-The surprise announcement by ing stock.

Tiger, which follows bitter takeover moves earlier this year, which is subject to execution of other things that it was an be consummated before the end talks with other companies in it is launching a \$322 share spected to be held in In January, Seaboard urged resulted in a bid by Flexi-Van ditional on a majority of the September to vote on the transits shareholders to ignore a Corporation of \$18.25 a share, companies in its shareholders accept-

TIGER INTERNATIONAL has cash. This values Seaboard at Tiger then already owned 15th of agreed in principle to merge \$95.6m. Tiger already holds 24 Seaboard's shares. with Seaboard World Airlines. per cent of Seaboard's outstand. It later filed suit temporarily

action. \$12.30 share bid for 9.4 per cent worth a total \$112m. ing the offer Seaboard's shareholders are of its stock from Tiger, the Earlier this month, however, approval of it to be offered \$15.50 a share in largest U.S. freight airline— Flexi-Van withdrew its offer. companies. \$12.30 share bid for 9.4 per cent worth a total \$112m.

said the merger will be sub- a definitive agreement and attempt to acquire the shares at mitted to the boards of the two approval by the Civil Aero- an unfairly low price. companies within two weeks nautics Board, is not expected to Seaboard then held merger

Furodollar bond prices continue to weaken

By Francis Ghiles

THE CONTINUING weakness of the U.S. dollar and widespread fears of poor U.S. money supply figures led to further professional marking-down of dollar bonds yesterday. while - Deutsche Mark bonds posted further gains. In the sterlipng bond sector some in and this pushed prices down by an average of a of a point.

The choice of Denische Girozentrale to lead the latest foreign Deutsche Mark issue for the European Investment Bank caught, a himber of German

banks by supprise. This par-ticular bank is not very active as a lead manager of this type of bond and has never led a foreign DM issue for the E.B. . The DM 200m 10-year year private placement it is arranging for the EIB includes a coupon of 7 per cent a price

of par yield to Decische Giro zentrale on an annual yield too maturity basis is 7.75 per cent. The \$115m convertible Eurodollar bond for Union Bank of Switzerland (Panama) has been set with final terms which include a coupon of 5 per cent and pricing of par-

Lead manager, UBS (Securities), has fixed the conversion, premium at 2.49 per cent. Each bond will be convertible into 15 non-voting bear participation certificates of UR from February 1, 1980 is maturity. The last paid price of the bearer certificates was SwFr 122. Market indicatio suggest that this issue has be

Certificates of deposit reach record level

well received.

THE AMOUNT of outstanding Eurodellar Certificates in Deposit (CDs) issued by basis in London rose, to a reco with the previous record

\$22.02bn a year earlief, acc ing to Bank of England sta Turnover in the CD seconds market as measured by sale totalled just under \$8bm in 2 latest five week reporting period compared with \$5.86bn in the previous statement month. CD inventories of secondar

\$29.91bn a month earlier, a

market dealers totalled \$1.020 viously. Meanwhile, the central bank

statistics showed that Eurocurrency or foreign curv rency deposits of London-based banks stood at the equivalent of \$304.7bn by mid-June, up from \$295.9bn a month earlier.

McDonnell bids for Microdata

By Our New York Staff

AIRCRAFT MANUFACTURER. McDonnell Douglas reaffirmed its intention to diversify into the computer systems business yesterday by announcing a \$78m takeover bid for the Cali-fornia-based Microdata. McDonnell Douglas said that

ing the offer and subject to the approval of the directors of both

AMERICAN QUARTE	RLIES	·		
AIR PRODUCTS	BRISTOL-MYERS	CONTINENTAL TELEPHONE	GENERAL SIGNAL	PACIFIC GAS AND ELECTRICAL
Third quarter \$ 5 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Second quarter 1979 1978 5 5 5 5 5 5 5 5 5	Second quarter 1978	Net profits	Second quarter 1979 197 Second quarter 5 5 Revenue 948.3m 740.2 Net profits 95.83m 69.14 Ne tper share 0.94 0.
Revenue	Revenue	Rovenue	Net profits 39.1m -26.4m	Year Revenue 3.83bn 3.30 Not: profits 379.6m 273.1 Net per share 3.76 2:
1979 1978 1978 Second quarter \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1979 1978 Second quarter \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1979 1978 19	Second quarter 1979 1978 S. flevenue 95.4m 95.4m 95.1m feet profits 10.53m 9.94m feet per share 2.29 2.06	Third quarter 1979 157 Revenue 159bn 1.38 Net profist 53.4m 52.5
Six months 144m 137.7m Net profits 14.8m 20.6m Not per Share 0.87 1.23 AMERICAN CAN	Six manths 651.8m 548.6m Net profits 32.51m 25.14m Net per share 1.43 1.25	Six months	Revenue 190.7m 165.7m Ret profits 17.41m 16.29m Net per shere 3.79 3.00 MCTOROLA	Next rights
1979 1978 Second quarter S S S Revenue	1979 1978 Second quarter \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Second quarter 1978 1978 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Second quarter 1979 1978	Second quarter 5 Revenue 545.3m 488.1 Net profice 36.6m 31.7
Six Months Ravenue	Six months 2bn 1.8bn Net profits 58.1m 51.6m Net per share 2,08 1.83	Six months 1.73bn 1.22bn 1.22bn	Revenue 1-28bn 1.05bn Not profits 295m - 81.4m Not per share 2.56 1.98 NATIONAL DISTRILERS AND CHEMICAL	Revenue
Second quarter 1879 1978 5 5 5 5 5 5 5 5 5	Second quarter 1979	CHEMICALS 1978 1978 1978 Second quarter S S S S S S S S S	Second quarter 1979 1872 1872 1872 1872 1872 1873 1874	Second quarter 1979 197 Revenue 1.35bn 1.17b Net profits 161.6m 143.1
Revenue	Revenue	Six months Revenue	NEW ENGLAND ELECTRIC SYSTEM	Revenue
Second quarter S S Revenue 102.4m S2m Net profits 6.38m 5.29m Net per share 1.20 1.10 Six months 1.20 1.1	' Nies months	Net profits	Second quarter S. S.	Second quarter 1979 1978
Revenue 190.5m 154;8m Net profits 11,65m 9.77m Net per share 2.20 1.87 BECTON DICKINSON	Revenue	Six months Revenue	Net profits 37m 29.3m Net per share 7.76 7.40 Neprovvest INDUSTRIES 1978	Bevenue 4.22bn 3.3b Not poolits 268.3m 206.6m Not per share 5.18 4.2
Third quarter	Second quarter S S	Second quarter 1973 1978	Revenue 639.5m 514.6m Net. profits 45.0m 39.2m Net. per share 1.47 T.27	UNIONS CAMP Second quartes: \$ 1979 1976 Revanus: \$50m 300.95 Net profits: \$2.2m 30.86 Net per share: \$51 1.2 Soy months: \$54.2m 576.4n Net profits: \$5.9m 58.2n Net par share: \$12 1.4
Revenue	Revenue	Nat profits	Revenue	Net per share
Second quarter S S S S S S S S S	Second quarter 1979 1878	Second quarter 1979 1978	Second quarter 1979 1978	Western Bancorp Second pointer 1979 1978 Net profits 1976 1978 Net profits 1976 1975 1976 Second pointer 1976 1976 Second pointer 1976 Second poin
Revenue	Revenue	Revenue 583.4m 609.2m Nat profits 9.88m 12.71m Net per share 0.60 0.82) WAT - 1999 14 4 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1	Not points 104 dim 78 476 Not points 2 34 2 4

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Second

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Conti-Gummi plans convertible loan Aerospatiale

Cement-Roadstone sees

improvement in earnings

Upsurge in Swiss bourse

furnover went up from Aktie 68. Based in Amsterdam SwFr 10.48on to SwFr 13.21on. Aktie has 28 branches in the

Swiss based personnel services in the south and in the east of

group with whom the Alfred Holland. Adia now has a major

Marks Bureau merged in 1976, share of the Dutch market with

activity in half-year

creases

WEST GERMANY'S largest tyre share. The bonds will have a refused to give any indication as in the tyres sector and the technanufacturer Continental maturity of up to 12 years. Indito where the rest of the money nical rubber products sector, for the Uniroyal purchase was said the management. part of the cash for its acquisi- coupon will be about 6 per cent tion of Uniroyal's European tyre and the earliest conversion operations with a convertible date June 30, 1981, loan issue. The terms of the pro- Neither the Unito jected loan, however, remain Conti-Gummi managements are

Earlier this month sharebolders at Conti-Gummi's annual meeting approved a DM 41m mcrease in the group's current DM 270m (\$149.6m) nominal capital. This increase has been sarmarked for the convertible

Terms of the issue have not settled on the bank that will ret been fixed although it seems manage the issue. However, lear that it will take the form Dentsche Bank carried out a sucof bonds with a face value of cessful M 100 each convertible into recently for the group.

Dutch bank

bond coupons

HE RECENT RISE in Dutch

nterest rates was reflected yes-

erday in the terms of a

Is 100m bond issue from one

f the largest banks in Holland,

The back is offering nine-year

onds on a coupon of 97 per

ent at a price to be set next

naturity, the coupon is a full

parter point more than that

ttached last week to a 15-year

fering from Amro Bank off-toot, Pierson Heldring and

În Vienna, Oesterreichische

ontrollbank AG and Oester-

eichische Investitionskredit AG

re to separately float bond sues with identical terms.

oth are Sch 500m issues with

anches of eight and 15 years.

hey will carry coupons of

per cent, and be issued at par,

PORTLAND-Orbanco Incor-

rated of the U.S. has agreed

principle to sell 280,000 com-

on shares to Haind! Papier, a

est German paper manufac-

irer, for \$24.50 a share, or

The transaction would also

ve Haindl the option to pur-

iase an additional 14,743

rbanco common shares. - The

aindl purchases are being

ade for investment purposes.

ith the closure of the sale,

aindl will own about 9.7 per

int of Orbanco. The deal

mits Haindl's future owner-

up to less than 10 per cent of

FINANCIAL RESULTS

rbanco.

most \$6.9m in total."

Haindl Papier

in U.S. move

Despite its shorter

Jgemene Bank Nederland

issue raises

By Our Financial Staff

Neither the Uniroyal por the yet prepared to comment on the issue price of the bonds. However, it seems that they are seeking to raise between DM 100m and DM 200m. However, the management of

Conti-Gummi have made it clear that they are not proposing subscription rights for the group's shareholders. Nor have they private placement Conti-Gummi's management

for this year were forecast at

the annual meeting of Cement-

Roadstone Holdings, Ireland's

largest industrial company. Mr. Michael Dargan, chairman,

said "Notwithstanding the bad

weather in the early part of the year, we have recovered suff-

ciently to indicate an improved

are trading well and I am glad to be able to report that our

acquisitions abroad of last year

are performing to our satisfac-tion." Mr. Dargan emphasised

that the severity and effect of Irish price control on the

group's cement company con-

tinued to be of pressing con-

BY JOHN WICKS IN ZURICH

SHARPLY INCREASED activity

is reported by the Swiss bourses

for the first six months of 1979.

Dealing volume in Zurich fose by almost a sixth while in

Basic activity increased by more

On the Zurich bourse, total

turnover for the first six months

reached SwFr 59.1bn (\$35.26bu),

a rise of 16 per cent over the

corresponding period of 1978.

while the number of bargains

rose 8.5 per cent from 123,253.

to 123 726. In Basie, first-half

-a rise of 26 per cent—and the

bareains recorded from 37,579

ADIA INTERNATIONAL, the

Southvaal Holdings

INTERIM REPORT-1979

than a quarter.

"In general, our interests

performance.

coming from. They added that there would be no problems in this area.

Indeed, there is still no information as to how much Conti-Gummi is paying Uniroyal for its tyre operations in Europe. Current estimates put the price at around \$100m. Uniroyal is, however, to take a minority stake in Conti-Gummi following the take-over and participation in the convertible loan issue could be one way of doing this.

Conti-Gummi, which for the 1978 business year, passed its dividend for the seventh year in a row, is now operating in the black. Operating profits for the first half were "positive" both

"The problem is now com-

pounded by the size and

frequency of energy cost in-

The volume increase in home

rement sales has continued at

an unprecedented rate, 16.8 per

cent over last year, but the

profit of the cement company has declined. The price rise in

June was inadequate and im-

mediate application has been

Looking at medium to longer

term prospects Mr. Dargan said

that the group had a sound future notwithstanding "the

difficult time which, clearly, is

The Swiss group has acquired

the French company DSI com-

prising 16 branches in Paris and

the provinces. This now makes

Adia the fourth largest employ

ment agency group in France.

Temporary employment is

particularly well developed in-dustry in both France and

Holland, involving around 4 per

cent of the workforce. Overall

the Swiss company now has over

It also recently acquired

Aktie 68. Based in Amsterdam.

main towns of the west, north

and centre of Holland. The

acquisition of Aktie comple-ments Adia's other company. Keser, which is based primarily

400 branches in 11 countries.

ahead for the Irish economy.

made for a further increase.

Tyre sales were up 10 per cent compared with first half of 1978. Technical rubber products sales were up 4 per cent; and the parent's total turnover was up 7 per cent.

Top Conti-Gummi and Uniroyal officials confirmed the transaction German rubber and tyre company will acquire four tyremaking plants in West Germany, Belgium, France and Britain as well as a tyre cord plant in Luxembourg and distribution operations. There were "good signs" that the transaction would find approval by the German Cartel Office and the European Commission.

Snia Viscosa faces plant closures

SNIA VISCOSA, the troubled textile group, may be forced to lose down four plants in Italy within the next two months making an estimated 3,000 workers redundant. The move, which would follow the heavy losses of the group over the last few years, can only be averted by swift government interven-

tion, according to fficials of Suia. On Tuesday the company closed an acrylic fibre plant at Villacidro in Sardinia, laying off 700 workers temporarily and retaining 200 for maintenance. Unless some solution can be found son, Snia will close other plants at Rieti, Napies and Pavia in the next few weeks.

Snia has asked the Italian Government to help finance a nlan to restore balance in its industrial activities, involving group investments between now and 1981 of L265bn, but so far no decisions have been reached. Banks involved in the financial rescue of the SIR chemicals group have agreed on the composition of a new board for SIR Finanziaria SpA, the group holding company. meeting expected to take place shortly

shareholders' to approve the board nominations and set the rescue plan in

forecasts profits

By David White in Paris

this year

THE STATE-RUN French aircraft manufacturer, Aerospatiale, has reported an 80 per cent reduction in its for last year, strengthening its hopes of breaking even from this year

The 1978 result, in line with earlier forecasts, showed a loss of FFr 85.6m (\$20.4m) compared with FFr 447.4m in 1977, on sales of about FFr 10bb.

Aerospatiale, the French partner in Concorde and the European Airbus, has sustained losses for the past seven years running, totalling some FFr 2.5bu.

Last year's loss is attributable entirely to the group's aircraft division, all of Aerospatiale's other subsidiaries having made profits. For this year, the company has fore-cast that results will be in balance or slightly in the black.

Its tactical missiles division. one of its main profit-makers, had an order book of more than FFr 6bn at the end of the year compared with a turnover of FFr 2.6bn.

The ballistic and systems division similariy showed orders worth more than twice the annual level of sales-FFr 4bn compared with FFr 1.8bn.

In the aircraft division. orders amounted to FFr 6.5bn at the end of 1978, including the company's share in the Airbus venture.

Arbed lifts production

LUXEMBOURG - Arbed reports a rise of 5.9 per cent in steel production in the first half of this year at its parent company. Production was put at 2.31m tonnes. Total group steel output in the six months went up by 2.6 per cent to 6.21m tonnes

In contrast, the parent company's steel output in June fell by 2.7 per cent over June last year to 391,340 tonnes.

BANKING IN BAHRAIN

Development phase draws to a successful conclusion

THE DECISION of the Bahrain Monetary Agency (BMA) to impose a moratorium on new banking licences marks the end of an era for the three-year-old Bahrain offshore market.

The first phase of development is now over, and Bahrain has become an established financial centre with a wellrounded banking community. The 47 Offshore Banking Units (OBU's) now operating, plus three yet to open, are thought to be enough to meet the needs of the region.

Business too has probably reached its peak. At the end of 1976, the BMA reported that assets of the 27 offshore banks then operating were U.S.\$6.2bn. By the end of 1977, there were 34 OBU's sharing assets of \$15.7bn, and a year later the total had risen to \$23.4bn, with

42 OBU's operating.
But it was evident in the later months of the year that the growth rate was slowing, which led the adviser to the BMA board to suggest that Bahrain had reached an "appropriate level as an international money market centre.

The offshore market actually declined in the first quarter of 1979, with the smaller OBU's gaining at the expense of the larger operations. Assets of \$22.3bn at the end of March showed a fall of almost 5 per cent over the year-end level. but they have since recovered to \$23br

Two distinct trends have been seen this year, the BMA says. On the one hand, a number of money traders have reduced their activity in dollar deposits. in view of quieter market conditions and the difficulty of forecasting future rate movements. At the same time, a flat yield curve has meant that there is. for instance, no longer any attraction in lending for six months or a year against short-

term borrowing At the end of May, dollar dealings accounted for about 63 per cent of the total. down from 70 per cent. On the other hand, the majority of OBU's have mercial bank in the Middle East, witnessed a steady expansion in with total assets including regional business. Dealings in Saudi rivals, Kuwaiti dinars and to a lesser extent, in UAE base in the Kingdom, the bank

little activity in sterling, market Deutschemarks, Swiss francs and other currencies.

It is widely expected that the moves made in March by the Central Bank of Kuwait, to dis-qualify deposits with Bahrain from being counted in banks' liquidity ratios, would lead to a sharp reduction in KD operations. However, this proved not to be the case, and although one or two OBU's have stopped trading in Kuwaiti dinars, the general level of activity has

An established financial centre with a wellrounded banking community is how our correspondent, MARY FRINGS, describes the offshore world banking Bahrain. Business growth is beginning to slow as the centre digests the rapid expansion of the past three years

remained almost unchanged—a pointer to the practical value of the KD market in Bahrain. By far the most important regional currency is the Saudi riyal, in which the market con-tinues to expand. The advent Saudi National Commercial Bank, with its 65 branches throughout the Kingdom, has provided a powerful

NCB inaugurated its threemonth-old OBU in Bahrain last week, with the support of a public relations officer appointed by the Jeddah head office served to underline the new outward-looking approach. and the Saudis were at pains to stress the internationalisation of the bank's operations. A representative office in London was opened last month, and there are plans for representation in Singapore and for a full

branch in New York. NCB is the largest contra accounts of SR33bn (\$10bn). With its strong deposit dirhams make up the bulk of expects to become a "stabilising less hopeful.

the remaining market, with influence" in the offshore SR

33

The deputy general manager, Murad Ali Murad, formerly a leading dealer at the National Bank of Bahrain, goes even further. He believes NCB will "disciplinary" role. Although it cannot control the rates, it can make an impact on the rate structure, he argues.

Bahrain OBUs now have better access to the SR Market, because they no longer have to put up with the poor communications which have bedevilled their direct dealings with Saudi Arabia.

But at least one of the Bahrain money brokers suffered a temporary decline in SR deposits following the arrival of NCB. The manager, however, still reports a 50 per cent incerase in business over last year, even though 70 per cent of his dealings are in

Saudi riyals.

NCB had a livelier start in " the Bahrain market than it expected and has achieved assets of SR 2bn in the space of the first three months. If 1979 follows the pattern of 1978, the typical OBU can expect to make profits of around \$1m, although overheads are also likely to be around the \$1m mark.

question typical will NCB prove to be. More than 75 per cent of its business is in Saudi riyals, the rest in U.S. dollars-a reversal of the overall ratio. Although it employs an average number of staff, 24 at present, all but the general manager who is a Saudi, and one expatriate dealer, are Bahraini nationals.

Although itself a newcomer in the market NCB echoes the general applause for the BMA's decision.

It is not easy for a relatively young Arab central bank to turn down licence applications, particularly where other Arab in-terests are involved. Although the BMA board last week rejected all the current candidates, it is likely that the position of representative offices will be reviewed at an early date. Two representative offices were among these candidates, together with three OBU's for whom the immediate outlook is

announced further expan- a total of 51 branches.

to 41,879.

(Incorporated in the Republic of South Africa)

The following are the unaudited results of the company for the half-year ended June 30 1979 together with comparative figures for the half-year ended June 30 1978 and the year ended December 31 1978: 30.6.78 30.6.19 31.12.78 'R000 R000 Interest received 28 233 Royalty received 29 021 183 212 Administration and other expenses Profit before taxation 28 809 156 12 095 Taxation 16714 1 500 175 15 214 Dividend No. 5 14 820 Retained profit 394 175

Dividend No. 5 of 57 cents a share in respect of the year ended December 31 1978 (1977: 21 cents) was declared on January 18 1979 payable to members registered on February 2 1979 and was paid on March 9 1979.

9.8

26 000 000

In the report of Vaal Reefs Exploration and Mining Company Limited for the quarter ended June 39 1979, the royalty to Southvaal Holdings for the half-year ended June 30 1979 was estimated at R27 420 000 (June 30 1978; R11 320 000). Members are reminded that the royalty is only determined when the year-end profit from Vaal Reefs' operations in the South Lease area is known and the final amount of capital expenditure has been

LOAN TO VAAL REEFS

To assist in financing capital expenditure in the Vaal Reefs South Lease area, the company granted Vaal Reefs a loan of R10 000 000 bearing interest at 7.5 per cent per company granted value needs a total of all out too look bearing interest at 1.5 per cent per annum and repayable in 40 equal half-yearly instalments of R487 000 covering capital and interest, the first of which became payable on January 1 1976. At June 30 1979 the loan balance was R9 125 000 (June 30 1978; R9 398 000).

OPERATIONS AT THE VAAL REEFS SOUTH LEASE AREA

The attention of members is directed to the quarterly report of Vaal Reefs published

For and on behalf of the board G. Langton Directors F. Bentley!

Johannesburg

United Kingdom Transfer Secretaries Charter Consolidated Limited P.O. Box 102, Charter House Park Street, Ashford Kent, TN24 SEQ

Head Office. 44 Main Street Johannesburg 2001

64.3

26 000 000

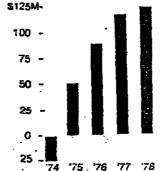
0.7 26 000 000

> Loudon Office 40 Holborn Viaduet ECIP LAJ

Avco: Performance & Perspective.

Approaching \$2 Billion Avco's revenues have grown at a Revenues \$1.8B-

compound annual rate of 9.5% over the past five years. Hising backlogs , reflecting participation in major longterm commercial and military programs, including the L-1011 TriStat, jettiner, the XM1 main battle tank and the Canadair Challenger executive aircraft, indicate continued growth. In 1978, \$184 million, including re-search and development funds and capital spending, was invested in. Avco's luture.



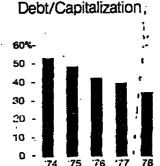
Net Earnings

More than half of Avco's profits are derived from its consumer finance and insurance subsidiaries. Avco Financial Services, Inc. and The portion from units that serve the international general aviation and com-

Stable Profit Base

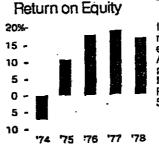
1.6 -

Paul Revers Companies, and a major mercial aircraft markets. In the fiscal year which ended November 30, 1978, fully-diluted net earnings per share reached \$5.05.



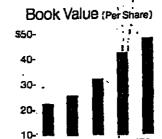
Capitalization Ratio

The parent company's debt/total capitalization ratio has been reversed in the past five years—dramatically reducing Avco's exposure to high short-term interest rates.



The Vital Yardstick In planning the Company's future.

management emphasizes return on equity. Over the past three years. Avco's return has consistently sursed the median for American industry. was 16% in 1978 when the median ROE for firms comprising the Fortune 500 was 14.3%.



Building Value

Book value per share has doubled since 1974 —an average compound annual growth of more than 20% each year. Common dividends are currently being paid at a 30¢ quarterly rate. equaling the highest rate in Avco's

Highlights of the Periods Ended May 31,

1979 1979 1978 \$443,346,000. \$937.338 000. S827 640,000. \$485.535.000. Revenues 32.557.000. 4 62 891,000. 60.624.000. Earnings Before Extraordinary Tax Credits 34.440.000. 1,126.000; 2 280,000. 3.626 000 2.153.000. Extraordinary Tax Credits S62,904,000. 536,593,000. \$33,683,000: # \$66,517,000. Net Earnings Net Earnings Per Share \$2.53 Pnmarv \$1.48 \$1.38 \$2.71. \$2 59 Fully Diluted \$50.75 S46.46 Stockholders Equity Per Common Share

Average number of shares outstanding increased to 13.1 million shares in 1979 compared to 11.8 million shares in 1978 due to voluntary conversions of 9%% debentures.

AVCO CORPORATION (NYSE:AV) is a diversified company that offers a wide array of financial, insurance and management

services worldwide. It manufactures transportation structures and engines, electronics, farm equipment and other products; performs highly sophisticated research; distributes motion pictures and develops master planned residential communities.

For further information, contact Joanne T. Lawrence, Director of Corporate Communications. ANCO CORPORATION World Headquarters: 1275 King Street, Greenwich, Connecticut U.S.A. 06830 34

CSR spells out oil shale prospect

alternative forms of energy, tion of Cassava, which can be estimated reserves of 2,718m particularly oil shale and converted into alcohol. future facing the country's

seventh largest company. hoard are projects-with total development costs of about A82bn (US\$2.3bn) — including NSW aluminium smelter. development of Queensland's tonne. Moreover, the reserves Hail Creek. Theodore and of the deposit would be over

energy industry. Sir James told a project and the lag-time in-shareholders that the Julia volved. Creek oil shale deposit was

is focussing its attention on the possible large scale produc- also compared with Bass Strait's

alcohol from sugar cane. At the aluminium smelter while saying Julia Creek had oil consumption. The AGM in Sydney, Sir James is nearest to fruition, share become "an important subject CSR's march Vernon, the chairman, gave holders at the meeting made it for exploration," Sir James shareholders a glimpse of the clear they were primarily in- pointed out the need for furterested in CSR's pioneering ther feasibility studies, the ventures in the alternative massive funds needed for such

CSR would also be in a com-"significant in size" and could fortable position if the extrac-yield up to 72 litres of oil per tion of alcohol from sugar cane fortable position if the extracbecame a viable proposition, as development of Queensland's tonne. Moreover, the reserves became a viable proposed in the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producing power alcohol ing the effect of dumping by CSR—which reported a 36.8 per it was producin Australian Yandi pares with estimated reserves while this form of alternative iron ore resource, of between 1300m and 2000m energy is also under considera-

major force in Australia's shale prospect, a timber deposit, owned by Central if the entire Australian sugar once the agreement has been natural resources in the 1980s, resource in New Zealand and Pacific and Southern Pacific. It crop was converted into alcohol, signed, a "significant improveit would yield only about 1.5m tonnes of alcohol-equal to about 5 per cent of Australia's

> CSR's march resource field comes at a time when its traditional activities considerable building products should continue to improve, rural conditions are buoyant, iron ore prospects are looking bright, and commodity prices are firm. Sugar operations are still feelto ratify the International Sugar

CSR, intent on becoming a Queensland's Julia Creek oil barrels in the Rundle oil shale tion, Sir James pointed out that depressing world prices. But

man iron ore mine in the last Union Wine and Picardi Hotels Gilbeys by Jimmy Kruger, the Mr. Goss will not discloses two months and although the has been blocked by the South former mine will meet contractual African Government. The Sir James said that shipping commitments, it will not be able to take full advantage of the improved demand for iron ore. Shipments will be considerably, lower than last year's record of 32.3m tonnes. CSR-which reported a 36.8 per Agreement, both of which are 31-was bright.

Government blocks SAB liquor outlet purchases

Justice

background of the current

In what SAB sees as a delay-

the Board of Trade—a referal-which could take up to two

Obtaining additional liquor outlets, is important to SAB. Nationally, it has control of some 139 outlets, compared

years to complete.

approval of the latest proposed deal would be a mere formality. acquisition of the two com-He took this view against the panies, which control 28 hotels, 27 off-sales outlets and 29 bettle investigations into monopolistic stores, would have narrowed the gap between the number of liquor industry by the Board of. liquor outlets held by SAB and its arch rival Rembrandt/Oude ing tactic, the proposed acquisition has been referred to

The management of SAB has reacted strongly to the blocking.

Industrial disputes have A PROPOSED acquisition by the Mr. Dick Goss, the managing with the 300 or so controlled by meant that 47 production days major liquor concern South director felt that in the light of Rembrandt/Oude Measter, with have been lost at the Mr New- African Breweries (SAB) of the approval of Rembrandt's which it is engaged in a develor 49 per cent acquisition of ing liquor war.

terms of the proposed acquisi tion though Johanneshur

RSm (\$9.5m) would be right for

the two companies. Now the problem tacing SAF is that while its but is being considered by the board o trade, Rembrandt Oude Meeste could come in with another bid The Union Wine chairman My Jan Pickard has held distus with SAB's competitor.

Mr. Gass intends taking u the majter again with her Justice Minister. Alwy

Uganda invites back foreign businesses

BY MICHAEL HOLMAN

THE UGANDAN Government himself. The industrialis has given the clearest indication returning to Uganda to re so far of its policy towards his industries, said-foreign and private investment President, with a degree businesses to resume their activities in the country.

Until nationalisation and the expulsion of Asians in 1972. under the regime of ex-President Idi Amin, Mr. Mahandra, Mehta, head of the Mehia Group, had extensive sugar, engineering, textile and agricultural interests. The Madhrani group of companies had a mining ventures. An estimate similar range of interests, with \$15m turnover of Uganda £26m, and rehabilitate Kilembe 12,000 employees in 1970.

Mr. Binaisa, speaking last week at his first State House interest in a joint scheme Press conference since becoming the Government to president nearly four weeks cobalt from the million t ago, went out of his way to re- pyrite tailings which again Clearly concerned by the left, the past 25 years. With a wing label that has sometimes per cent cohalt content, the been attached to his Adminis contain some 14,000 tons tration, the President intro-cobalt, worth, over 5700m.

President Godfrey Government participation

"People bave been being left of centre me one thing—that I'm determ

ing foreign participation in i investors, accumulated at the mines duced to the meeting Mr. Mehta present producer prices

South Korean leasing companies borrow abroac

THE SOUTH KOREAN Govern- prime rate for lending philly ment has approved a series of per cent. foreign borrowing applications. The Korea Development Lab by local and foreign-owned coming Corporation is to reco panies involving a total of \$30m-consisting of \$10m fro three loans amounting to \$80m to finance operations by two of foreign institutions include Korea's three specialist indust he Private Investment Co trial leasing companies, which pany of Asia (PICA), which h are meeting with strong de- a 5 per cent stake in the Kore mand as borrowers seek ways group.

around the Government's credit. Both foans will be for squeeze. years after a grace period.
Manufacturers Hanover Overseas Capital Corporation of the Montreal line carries a spre U.S. is to lend \$50m to Korea

remainder from a group

of 0.875 - per - cent - over of -Industrial Leasing Company, in London Interbank offered 72, which the U.S. bank has a 45 (CIBOR), while the same specific cent stake. The five-year advance carries the same specificant carries a grace period of over the Singapore interba loan carries a grace period of over the surgary two years and is at the U.S. offered rate.

BANCO DE LA NACION ARGENTINA U.S.\$30,000.000 Floating Rate Notes 1983

Notice is hereby given pursuant to the Terms and Conditions of the above-mentioned Notes that the Rate of Interest (as therein defined) for the Interest Period (as therein defined) from 23rd July, 1979 to 23rd January, 1980 is at the annual rate of 111 per cent. The U.S. Dollar amount to which the bolders of Coupon No. 3 will be entitled on duly presenting. the same for payment will be U.S.\$57.50 subject to appropriate adjustment thereto for the making of other appropriate arrangements of whatever nature) which may be made in accordance with the Terms and Conditions, without further notice in the event of an extension or shortening of the above-mentioned Interest Period.

EUROPEAN BANKING COMPANY LIMITED

KANSALLIS-OSAKE-PANKKI (Incorporated with limited liability in Finking)

U.S.530 000,000 Floating Rate Capital Notes 1983 U.S. \$30.000 Floating Rate Capifal Notes 1983
Notice is hereby given pursuant to the Terms and Conditions of the above mentioned Notes that the Rate of Interest (as therein defined) for the Interest Period (as therein defined) from 23rd July, 1978 to 23rd January, 1980 is at the athrual rate of 111 per cent. The U.S. Dollar amount to which the holders of Coupon No. 5 will be entitled on duly presenting the same for payment will be U.S. \$57.50 subject to appropriate adjustment thereid (or the inaking of other appropriate arrangements of whatever nature) which the Fiscal Agent may make, without further notice in the event of an extension or shortening of the above-mentioned interest period:

EUROPEAN BANKING COMPANY LIMITED

EUROPEAN AMERICAN BANK & TRUST COMPANY 26th July: 1979

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45 Cornhill, London ECSV 3PB Tel. 01-523-6314. Index Guide as at July 19, 1979 Capital Fixed Interest Portfolio-Income Fixed Interest Portfolio

Group Gold Mining Companies

Transvaal

Reports of the directors for the quarter ended 30th June, 1979

VAALREEFS

Development Company La T SINKING Shalt South Lease Area) 33 847 37.92 41.61 2 297 39.77 2 096 5 6 10 52.7 140.24 2 370 107.77 2 220 58.32 20.6 2.83 18.8 122.07 2 295 2.9; 54.79

PLANTS

1th plant with a 240 000 tons a month treatment capacity and the East

1 ethnstons were rooms stigned furing the quarter.

ARRANGEMENTS WITH HARTEBEESTFONTEIN GOLD MINING 39 ger control the calculated working costs
THE AFRIKANDER LEASE AREA
The necrosal for Vaal Reefs to evolute an area own which The Afrikander LeaseLemicol holds the mineral rights was accepted by members of both companies at
negeral meetings held on April 26 1979.

and in the abovementioned capital expenditure figure is an amount of R1 305 000 to a fine abovement of R1 305 000 to a fine and a fi VAAL REEFS SOUTH LEASE AREA

included in the ab	igve are the	10llowing		respect of Quarter quifed ING 1979	the South Onarth ender Mar. 15	e . 1	ea S.v months en.led June 1979
OPERATING RES	ŲLTS		_		-		
COLD Area mined—cer		are metr					
000's .	1114.53 .140	ane Inch	Car	107	1	26	213
Tors milled 000	rs .	• • • •	::	667		70	1 337
Yirid git				10.81		.39 158	10.61 14 170
Product co				7 232 207		02	205
Cost—P -a miner				33.27		.95	32 61
				3 068		177	3 073
URANIUM OXID			• •	-			
Trins treated 00	Q's			467		59	826
Yieldka't				0.70	82 4	.23	0.21 172 130
⊾BICE BECEIAED St.∞ju.cf,3t.—−Fα	- CIN 5616	· ·		89 704	044	20	172 130
Gold-R 4	- ON JALE	_		7 105	6.5	57	6 8 3 8
- 07			• •	262	Ž	139	251
FINANCIAL RES	ULTS	••••	• •				
				ROOC		100	RDOO
Gold-Povenue				51 407	45 6 21 4		97 034 43 603
—Çosts .				22 191	21 4	112	43 503
—Profit				29 216	24 2	175	53 431
Uranium oxide p	roht .		::	3 261	5.5		8 820
Tribute profit .			::	1 318	1 4	59	2 777
				33 795	31 2	33	65:028
Deduct:							
Capital expenditu	re excludin	g new Sol	ıth				
_ uranium plant				8 675	60	73	14 588
Repayment of Southvasi Hole	loan and			244	-	43	487
SOUTH LIGHT	heide Charle	ea	• •		·		
Surplus subject to	rovalty-	estimated		24 936	24 9	17	49 853
					<u></u>	<u>···</u>	
Royalty to South			(ed				
iSS% al surpli Capital evpenditui	15—escimat	ea:	• •	13 716 14 951	13 7 8 7		27 420 23 702
DEVELOPMENT-	SOUTH LE	ASE ARE	A	14 331	٠,	21	23 / 02
	Advance			Sam	pled .		
	metres	metres	channel w.dth	goli		UFE	INIUM
			EM3	G L	tm g t	ke t	cm.kg/t
Vaal reef	•						•
Quarter ended							
June 1979	13 079	1 126	78.0	30.14	2 351	9.71	55.57
Obarter ended							
March 1979	11994	972	93.6	33.40	3 126	0 76	71.29
5.• months ended				7			
June 1979 "C"reel	25 073	2 098	85.2	37.81	2 710	0.74	62.85
Quarter ended					_		
June 1979	109	54	16.3	140.24	2 370	3-03	51.26
Quarter ended				107.77			
March 1979 Sy months ended	163	84	20 6	197.77	2 226	2.53	58 32

Quarter Ande June 1979 Ouacter code March 1979 Sir months e

July 20 1979

1 817

252

SOUTHVAALHOLDINGS SOUTHVAAL HOLDINGS LIMITED

The attention of shareholders is directed to the report of Vaal Reefs Exploration and Mining Company Limited.

ELANDSRAND

Elandsrand Gold Mining Company Limited

		-		_		
	ISSUED CAPITAL: 75 484 238	shares of 20	cents each			
			Quarter ended June 197	-	uarter ended r. 1975	Six months ended June 1979
	OPERATING RESULTS GOLD		2012 75		1. 1571	,
	Area mined-centares (squar	e metres)	_		_	31
	000's			22 50 -	9 52	182
	Tons milled 000's		4.3		2.90	4 28
	Production—ks.	::	62	28	151	779
	Cost-R ca mined			90	221	201
	—R tan miled		32.4 6.70		39 JE 13 465	34.30 8 U12
	R.kg produced			14	13 403	00.2
	PRICE RECEIVED ON SALES		7 12		6 733	7 083
•	Gold—Rivg		.26		245	260
	-,			-		
	FINANCIAL RESULTS		RDO	10	R000	RDOG
	Gold-revenue		4 54		940	5 483
	—casts		4 21	12	2 629	6 241
				. .	(1 DE9	1758.
	—profit (loss) Net sundry income			77	299	376
	Net Sulpity mediate			- : : .		
	Profit (loss)		- 40	36	(790)	(382)
	Capital expenditure		29 7	z a	15 876	36 615
	DEVELOPMENT			Sar	mpled	•
	·	Advance ~	metres	Charnel	93	ld
				width		5m.a/1
	V.C.R.			cm	. g.t	-m-g-t
	V.L.K. Cuarter ended				r	
	June 1979	5 812	957	59.1	15.82	817
	Quarter ended		342	82.8	13.25	1 097
	March 1979 Six months ended	4 824	342	52.0	13.23	. 557
	June 1979	10 636	1 299	65.3	13.63	890
	CARITAL EVERNOITURE					

East Rand Gold and Uranium Company Limited

OPERATING RESULTS	Quarter ended June 1979	Quarter ended Mar. 1979	Year ender Mar. 1979
Slimes treated—tons	4 842 000 ·	4 557 000	16 251 000
Production— sulphur in pyrite—tons uranium oxide—kg sulphur axid—tons oleum—tons sold—kg PRICE RECEIVED ON SALES	38 330 60 090 92 629 6 550 1 257	35 035 42 928 86 285 4 740 1 103	125 870 157 859 313 118 17 251 3 744
Gold—R kg	6 91 6 254	6 503 238	6 003 216
FINANCIAL RESULTS Revenue—gold —uranium, sulphuric seid and	R000 8 873	P000 7 357	R000 22 459
sulphur	8 121 .	10 342	23 301
Total revenue	16 994 8 029	17 699 9 403	45 760 27 717
Operating profit Less: net sundry expenditure	8 965 344	5 296 269	18 049 1 584
Profit	8 621	8 027	16 465
Deduct. Appropriations: Capital expenditure Dividend			5 000 10 000
Retained profit for the year			1 465
Capital expenditure	824	2 460	10 545
DIVIDEND The dividend of 25 cents a share in respected on April 19 1979 payable to mel paid on June 8 1979.	ct of the year mbers registeres	ended March 3	1 1979 was 979 and was

CAPITAL EXPENDITURE Orders placed and outstanding on capital contracts at June 30 1979 totalled R2 604 474. OPERATIONS

D. A. ETHEREDGE . Directors
M S. MCCRUM . July 20 1979

ANGLO AMERICAN CORPORATION

GENERAL NOTES

63.75

58.17

0.52 60.99

D A. ETHEREDGE :

Development values represent actual results of sampling, no allowances having been made for adjustments necessary in

Copies of these reports will be available on request from the offices of the Transfer Secreturies.

Charter Consolidated Limited. P.O. Box 102, Charter House, Park Street. Ashford. Kent. TN24 8EO. LONDON OFFICE: 40 HOLBORN VIADUCT, ECIP 1AJ

PRICE RECEIVED ON SALES

S.A. LAND

OPERATING RESULTS

FINANCIAL RESULTS

The South African Land & Exploration Company Limited

153 OPERATIONS PROSPECTING

WESTERN DEEP LEVELS

Western Deep Levels Limited ISSUED CAPITAL: 25 000 000 Shares

OPERATING RES	ULTS						
Area mined—cer 000's Tors milled 000's Yield—g't Product on—kg Cost—E ra mined —R'ton mill —R'top produ	l	are metr	::	191 811 14.74 11 9 5 154 36 11 2 450	14 10 36	170 770 1.G4 809 163 113 574	361 1 584 14.40 22 805 153 36.12 2 509
Uranium oxide Tons treated 000' Yield—kg/t Production—ig				273 0.22 48 551		228 3.22 305	451 0,22 98 057
FRICE RECEIVED Gold—R kg —Vigz FINANCIAL RES	. • •:.::	5 	::	6 956 256	6	575 241	6 789 249
Gold	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	::::	::	7:000 83 682 29 395	70 27		ROGO 154 421 57 219
Profit Uranium dxide pr Net sundry Income		::::::	:	54 195 932 932	42 9 2 1	916 752 878	97 201 3 714 2 8.L
Profit before taxa of profit Provision for taxa	_			56 210	1 47		103 786
of profit	••••••	· · · · ·	••	19 463	24 4	132	43 895
Profit after taxat	ion and St	ate's sna	re	36 747	_23 1	144 .	59 891
Deduct: -opriation and Capital expensitue Loan levies—net Dividend—interim Recained profit for	re	nths	•	 ·	_		29 272 1 55 23 750 5 7
Capital expenditur Loan levies—estin	e nated		:: .	27 578 1 575	5 5 1 8	80 128	29 153 3 403
DEVELOPMENT	Advance			Sam	pled	•	
_	metres	metres	channel width	8010	đ	υга	Nrum ; ⊤ r
Carbon Leader Shaft area			CAU	g t	cm.g.t	log t	cm.leg/t
No. 3	4 092 4 915	86 50	14 <u>.2</u> 40.7	134.93 106.54	1 916 4 336	0,87 0.56	12.36 22.79
Quarter ended June 1979 Quarter ended March 1979	9 007	146	25.1	115.98	2 911	0.66	16.64 :
March 1979 Six months ended June 1979 .	7 838	128	35.3	90.48	3 194	1.05	37.29
V.C.R. Shait area	16 845	274	29.9	101.77 . ن	3 043	0.68	26.29
No. 2 No. 3	1 954 678	112	50.0 62.9	33 70 77.62	1 685 4 882	Ξ	
Quarter ended June 1979 Duarter ended	2 632	-118	62.3	75.75	4 719	-	\rightarrow $$
Quarter ended March 1979 Six months ended	2 264	72	177.8	22.03	2 595	_	
June 1979 DIVIDEND	4 896	190	83.3	46.99	3 914		—:
The interim divide 1979 was declared and will be paid or	on July 19 n or about	लगर २ sh 9 1979 bi September	are in re: 17able to 17 1979.	members (registered ('ing Dec M Augu	ember 31. st 3 1979

CAPITAL EXPENDITURE Orders pieced and outstanding R18 759 000. URANIUM PLANT EXTENSION

OF SOUTH AFRICA LIMITED

Attention is directed to an announcement published in conjunction herewith relating to the declaration on Thursday. July 19 1979, of interim dividends for the year ending

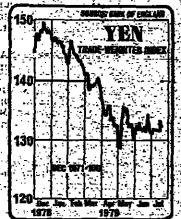
The Orange Free State Group's results appear on another page

EAST DAGGAFONTEIN East Daggafontein Mines Limited

	Quarter 	ended	enged une 1979
FINANCIAL RESULTS	Rope	ROOO	RDDG
Rovallies Sundry revenue	12S 25	K900	155 31
	150	37 -	157
Costs	28	28	56
Surplus before taxation	122 40	. 9	731 43
Surplus after taxation	82		88
in the annual report dated March 2 1979. I company's three slimes dams was being invo-entered into an agreement with East Rad Erool under which the company granted E	stigated, During id Gold, and L	the quarter, the	Company

CURRENCIES, MONEY and GOLD

THE DOLLAR minished around \$2.2500 at noon. In the afterits best level of the day against noon sterling continued to rise,
most currencies on expectations touching \$2.3040.\$2.3050, but lost
of a statement by President ground on rumours of a dollar
Carter. Earlier is the day the support package similar to the
turrency had remained very measures announced last Novemweak, and received support from
the West German Bundesplank from the White. House, The
the Swiss National Bank and the mound fell to \$2.2000 and closed the Swiss National Bank, and the of England. The U.S. Federal Reserve may have also



intervened to push up the dollar intervened to push up the dollar in late trading.

The U.S. curency, traded between DM 18020 and DM 18100 against the D-mark, before closing at BM 18090, compared with DM 18070 previously. The range in terms of the Swiss franc was SwFr 18275 to SwFr 16360, and the dollar finished at SwFr 16300 on Wednesday. On Bank of England figures the dollars. trade-weighted index rose to 83.7 from 83.6.

to 83.7 from 83.6. to 83.7 from 83.6.
Sterling was very firm once again, but lost ground sharply against the dollar at the close, against the donar at the close, in line with other major currencies. The pound's index as calculated by the Bank of England mass to 72.8, the highest level since February 1976, and compared with 72.1 previously. opened at \$2.2825, and Y214.921 fro and \$2.2900, before easing to tive trading.

pound fell to \$2,2900, and closed on a wide spread of \$2,2930-\$2,2950, a rise of 1.65 cents on the day, and the firmest point since

June 1975. FRANKFURT The bank did not intervene when the dollar was fixed at DM 1.8047 against the dollar, compared with DM 1.8031 previously. There was also thought to be only small intervention before the fixing in quiet trading. This was in marked contrast from Wednesday when the Federal Reserve and the Bundeshank bought about \$500m to support the U.S. unit. The major fac-tor behind the dollar's waskness remained doubts about President Carter's ability to ease the U.S.

energy situation.

ZURICH—The dollarground against the D-mark and Swiss franc in thin early gading, but showed some initial strength against sterling and the French franc Trading was very quiet, with the Swiss National Bank allowing the market to drift PARIS—The dollars eased against the French franc in late

trading By the end of the day the U.S. currency had fallen to FFr 4.2045 from an early rate of FFr 4.2110, and little changed from Wednesday's late level of ported a substantial flow out of dollars and into sterling from the Middle East. The pound rose the Middle East. The pou to FFr 9.6815 from FFr 9.6175 at the start, and FFr 9.59871 late Wednesday. There were also reports of considerable interven tion by the Bundesbank to sup-port the dollar.

TORYO-The dollar fell to and Y214.921 from Y215.771 in ac-

٠.1	٠.		:		
_	·		_ `*		
· ·	THE	POU	ND SPOT	AND	FORWARD

July 19	Day's Spread	Close	One month	% p.a.	Three months	7. p.a.
tt.S. Canada Nathind. Belgium Denmark Ireland W. Ger. Portugal Spain Itely Norway France	5preed 2.2820-2.3050 2.8590-2.5850 4.52-4.57 65.70-86.40 11.84-11.89 1.0806-1.1010 4.11-4.16 111.20-111.20 1.80.90-151.70 1.855-1.868 1.855-1.868	Close 2.2530-2.2550 2.5710-2.6730 4.55.4.58 66.20-86.30 11.96-11.88 1.095-1.1005 4.141-4.157 110.60-110.91 157.35-751.45 1,865-1.865-1	One month 0.67-0.57c pm 0.55-0.45c pm 2**-1**c pm 1**-2**-2**-1**c dis 18-28p dis 3**-2**-2**-2**-100.300c dis 2**-4**-11**-11**-11**-11**-11**-11**-11	9.8. 3.24 2.25 1.27 -0.50 -2.51 7.95 -7.58 -9.11 -2.41 4.17	1.67-1.57 pm 1.65-1.55 pm 5-4 pm 32-22 pm 33-63, dis 45-95 dis 87-74 dis 100-200 dis	p.a. 2.82
Sweden Japan Austria Switz.	9,57-9,63½ 487-500 30,30-30,50 3.71½-3.76	9.61-9.63 494-496 30.40-30.45 3.74-3.79-	2 ore pm-par 4.10-3,80y pm 22-12 gro pm 41-31-c pm	1,24 9,58 6,71	47-24: pm 9.45-9.10 pm 52-42 pm 124-114: pm	7.45 7.45 6.18 12.53

THE DOLLAR SPOT AND FORWARD

July 19	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.2820-2.3050	2.2930-2.2950	0.67-0,57c pm	3.24	1.67-1.57 pr	n 2.82
irelandf	2.0840-2.0970	2.0900-2.0950	1.20-1,00c pm		3,25-3,00 pp	
Canadat	85,60-85.90	85.69-85.72	0.05-0.03c pm		0.07-0.04 pm	
Nethind.	1.5800-1.9850	1,9815-1,9836	0.38-0.28c pm		0.75-0.65 pp	
Belgium	28.75-28.90	28.86-28.88	0.5-2.5c die		7-10 dis	-1.18
Denmark		5.1735-5.1750	1.25-1.75 are dis		5.50-8.00dis	
W. Ger.	1.8000-1.8100	1.8050-1,8060	0.80-0,70pf pm		2.15-2.05 pm	
Portugal	48.00-48.50	48.25-48.30	35-46c dis		90-130 dia	-9.52
Spain	65,75-86,20	86.00-86.85			185-206dis	-11.81
Italy	812.50-814.99	814,40-814,70	3-3% lire dis		9-10 dis.	-4.68
Norway	5.0050-5.0260	5.0090-5.0110	0.50 ore pm-par		1,50-1,00 pn	
France	4.2025-4.2175	4.2075-4.2100	0.03-0.13c dis		0.60-0.80dis	
Sweden	4,1900-4,2000	4,1910-4,1920	0.30-0.50 ore die		1.15-1.36dis	
Japan	214,75-215,75	215,20-215.40	1.25-1.10y pm		2.95-2.80 pn	
Austria	13.25-13.28	13.261-13.271	4.60-4.10 gro pm		12-10.50 pm	
Switz.	1.6305-1.8400	1.5330-1.6340	1.44-1.39c pm		4-3.95 pm	9.73
+ (10 1-	dand and Ca					

CUR	REN	CY RA	TES	CURRENCY MOVEMENTS				
July 18	Sank rate %		Europeán Currency Unit	July 18	Benk of England index	Morgan Guaranty changes 1		
Sterling	14	0.572777	0.642315	Sterling	72.6	-32.8		
U.S. S	191 ₂	1.51080.		U.S. dollar	83.7.	-9.4		
Canadian \$	1114		1.63273	Çanadian dollar		-17:1		
Austria Sch.,		17.3618	18.5897	Austrian schilling		+19.5		
Belgian F	9	37.7117	40.3760	Beiglan franc	114.7	.+13.8		
Danish K		6.79125	7.27027	Panish kroner		+3.0		
D mark	5.	2.36350	2,53126	Peutsche Mark	152.5	+42.4		
Guilder	B	2.59735	2.78249	Swiss franc.,	198.5	+81.6		
French Fr.	910	5.50405	5.89482	Guilder	123.8 .	+18.7		
Ura,,	2012		1139.31	French franc	99.3	-7.8		
Yen			300.355	Ura	65,2	-48.9		
Nrwgn, K			7.04016	Yen	132.2	+30.2		
Spanish Pea			92.6539	Based on trade we	بيلم انوماين	none from		
Swedish Kr	7		5.88569	Washington agreet				
Carlos Es	7 - 1		: 0.000=0	AASSURE AND SALES	mil Pene	HADE, 19/1		

OTHER MARKETS

July 19	£	ş		£ Note Rater
Argentina Peso	3080-3100	1343-1351	Austria	29.75-30.75
Australia Dollar	2.0275-2.0315	0.8840-0,8855	Belgium	69.0-70.0
Brazil Cruzeiro	<i>\$9.46-5</i> 0.48	25.92-26,35	Denmark	11:80-11.95
Finland Markka	8.78-8.79	3.8160-5,8180	France	9.58-9 68
Greek Drachma.	82.257-84.233	35.86-36.72	Germany	4.08-4.18
Hong Kong Dollar	11,975-11,895	5.1730-5.1780	Italy	1,830-1,880
Iran Rial	166.85-178.76		Japan	490-500
Kuwait Dinar (KD			Netherlands	4.60 4.60
Luxembourg Frc.		28.87-28.89	Norway	11.45-11.55
Malaysia Dollar	4.90-4.9112	3,1360 2,1570	Portugal	107-113
New Zealand Dir.	2.2365-2.2426	0.9750-0.9775	Spain	149-168
Saudi Arab, Riyal			Switzerland	3.70-5.80
Singapore Dollar.	4.90.4.9112	2.1360-2.1370	United States	2.2875-2.2975
Sth. African Rand	1.92 1.93	0.8370-0.8410	Yugoslavia	4212-4512

EURO-CURRENCY INTEREST RATES

central rates

EMS EUROPEAN CURRENCY UNIT RATES

July 19 Sterling	U.S. Dollar Dollar	Dutch Guilder Swiss France	West German Mark French	ranc _i Italian Lira	Asian \$	Japanese Ye
Short term	/ 10m 10m : 91g-101g	816-918 15-16 875-914 16-15 816-9 50-15 914-915 1-119 914-915 15-2 915-815 28-2-7	54-61: 94-95 51-54: 94-95 51:-54: 1058-11 61:-7: 111:-12 61:-7: 111:-12	16-18 151 ₂ -161 ₂ 154-161 ₄ 15-16	1012-1058 1016-10-1 1016-10-1 1034-1078 1012-1056	36-512 36-4-6 418-4-12 512-519 6-k-6-5 5-6-5-4

EXCHANGE CROSS RATES

July 19	PoundSterling	U.S. Dollar	Deutschem's	Jupan'se Yen	FrenchFrane	Swist Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	0.486	2.294	4,760 1,809	495.0 215.8	9.670 4.215	3.750 1.685	4.555 1.985	1866. 813.4	2.672 1.165	66.25 28.88
Teutschemark	0.941	0.553	1.	119.5	2,330	7.576	1.098	449.6	0,644	15.96
Alpanese Yen 1,809	2.020	4.634	8.584	1000.	19.54		9.202	3770.	5,898	133,8
Franch Franc 10 Swigs Franc	1.034 0.267	9:572 0:619	1.107	511.9 132.0	= 10. 2.579	3.878 1.	4.710 1.215	1930. 497.6	2.763 0.713	68.51 17.67
Batch Guilder	0.220	0.504		198.7	2 193	0.825	1.	409.7	0.587	14.54
Stalian Lira 1,668	0.536	1.229		265.3	6.182	2.010	2.441	1000.	1.432	35.50
Ganadian Dollar	0.574	0.859	1.665	185.3	3.619	1.403	1.705	698.4	1.	24.79
Seiglan Franc 188	1.509	3.465	6.264	747.2	14.60	5.660	. 6.875	2817.	4.033	100.

INTERNATIONAL MONEY MARKET

Dutch rates easier

Dutch interest rates showed an seasier tendency yesterday, re-flecting a much steadier trend ing stable. Call-money rose to 5.40-5.50 per cent from 4.90-5.00 in rates throughout Europe. Call stood at 6.19-6.20 per cent from 81-9 per cent and one-month money stood at 6.19-6.20 per cent from 6.00-6.10 per cent. The three-month rate was caster at 91-91 per cent and one-month rate was quoted higher at compared with 91-91 per cent against 6.65-6.75 per cent against 6.65-6.75 per cent against 6.65-6.75 per cent while the six and the continued to 91-91 per cent down from 91-91 per cent and 7.35-7.45 per cent and six-month money eased to 91-91 per cent and 7.35-7.45 per c importh rape was quoted at \$\frac{3}{2}\frac{9}{2}\frac{1}{2}\text{month rates remained at 7.15}} 12\text{month rates remained at 7.15}\text{per cent down from \$\frac{9}{2}\frac{1}{2}\text{ per cent and six-month money eased cent from \$\frac{9}{2}\frac{1}{2}\text{ per cent and 7.35-7.45}\text{ per cent six-month money eased cent from \$\frac{9}{2}\frac{1}{2}\text{ per cent and 7.35-7.45}\text{ per cent six-month money fell from cent respectively.}

NEW YORK — The Federal cent; 12\text{ month money was also market yesterday to arrange found at 10\frac{1}{2}\text{ per cent 10\frac{1}{2}\text{ per cent 10\frac{1}{2}\text{ per cent 10\frac{1}{2}\text{ per cent from 10\frac{1}{2}\text{ per cent periously.}}}

Former in the shorter periods, in \$\frac{9}{2}\text{ per cent with overlanced at 7.35-7.45}\text{ per cent som and 7.35-7.45}\text{ per cent to 10\frac{1}{2}\text{ per cent to 10\fr cent. Dutch monetary reserves
fell in June by FI 775m to
FI 25.23bn, and this probably reflerted to a certain extent, the
Dutch authorities intervention

UK MONEY MARKET

Small assistance

Day to day credit appeared to be tween 134 per cent and 127 per night leans opened at 134-137 per cent and eased to 134-137 per cent am eased to 134-137 per cent am eased to 134-137 per cent am eased to 134-137 per cent and ease to 134-14 per cent, fell back to 134 per cent and eased to 134-134 per cent. small number of corporation bills, ment disbursements and a small all direct from the discount net take up of Treasury bills. On houses. Total assistance was the other hand banks brought termed as small. Discount houses

Bank of England Minimum were paying around 131 per cent target and there was a small in-Lending Rate 14 per cent for secured call loans at the start crease in the note circulation. (since June 12, 1979) with closing balances taken in the interbank market over-

forward balances some way above nominal in some cases.

cent and eased to 131-131 per cent before touching 13-131 per

Rates in the table below are

LONDON MONEY RATES

July 19 1979	Sterling Certificate of deposit	interpank	Local Authority deposits	Local Auth. negotiable bonds	Harrie	Company Deposits	nserket deposit	Treasury Bille &	Eligible Benk Bills &	Trade Bills è	
Overnight	14 13 15 15 15 15 15 15 15 15 15 15 15 15 15	13-14 13-13-13-1 13-14-14 13-14 13-14	137 ₈ -14 135 ₆ -13 1 8 131 ₈ -137 ₂	141g-143g 144g 14	144 144 144 144 136 136 137	1418-1414 1414 1414	1354 1854 1854	184-152 186-184 184-183	141 141 1578 1578 1578 1578 1578 1578 1578 157	14% 14% 14% 14%	

ance House Have Rate (published by the Finance Heaves A leposit Rates for small sums at seven days notice 17-12, y bills: Average moder rates of discount 13.3451 per cent.

GOLD

Weaker

Gold fell \$21 to close at \$2981 2991. The metal opened at \$2991 300, and was fixed at \$300.10 in the morning, and \$299.15 in the afternoon. Trading was very nervous at the higher levels, with profit taking outweighing buying

In Paris the 121 kilo gold bar was fixed at FFr 42,700 per kilo

		dail to	4419 20
5	Gold i	Buillion (fina d	ence)
-	Close	52983 ₁ -8991 ₂	8701-X013,
5		£ 728.8-130.2)	(£152-152.4)
8	Opening	52991 ₄ -300	8302-30834
			(£151.7-152.1)
5			\$303.85
-	Morning fixing,		£152.570)
ł	TEXITIE	\$299.15	\$302.150
-		(£150.255)	£132.145)
•	Gold (Colos, domesi	tically
	Krugerrand.	43081s-3101s	\$811.313
	(d====================================	£134-135	(1579 01- 1941)
	Manu	277le.791e	379-B1
	Severeigns	E333, 543x)	(2543, 353)
	O4 1	8105.107	\$10512-1074
	Sèverainne	2453:4651)	£464-474)
	······································	oins, Internal	Honally
	Krugerrand.	53081g-31Q1g	5 311-313
•		£134-135)	(£1361-1374)
	New 1		579 Bi
-	Savetelant	£833, -343;)	(£343, 3534)
	Cid	105-107	\$1054-1074
	UIU.		(2464-474)
•	POABLERGITS!	\$453 ₄ .453 ₄)	190-40-4-41

(\$315.72 per ounce) in the after noon, compared with FFr 42,850 (\$316.66) in the morning, and FFr 43,000 (\$318.51) Wednesday

In Frankfurt the 121 kilo bar was fixed at DM17,400 per kilo (\$299,92 per ounce), compared with DM17,590 (\$303.38) pre-

MONEY RATES

NEW YORK Prime Rats	10.9 9.26
GERMANY Discount Rate Overnight Rate Discount Ronth Three menths Six months	5.45 6.15 6.B
PRANCE Dispount Rate Dispount	9.5 9.25 9.6875 9.9375
APAN Discount Rate	4.25 5.5\$25

BNP in the Channel Isles

Banque Nationale de Paris has now opened a Branch at St Helier in Jersey. As the first French bank to be established in the Channel Islands BNP Jersey provides financial services for international companies and for corporate and private clients resident worldwide.

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《金融时报》之中国增刋

A FINANCIAL TIMES SURVEY

AUGUST 20 1979

The Financial Times is preparing to publish a Survey on China on Monday August 20.

The main headings of the provisional editorial synopsis are set out below. The political scene ★ The economy ★ The role of foreign trade ★ The planning system \star Education and research \star Agriculture and agricultural mechanisation \star Industry and management ★ Steel ★ Coal and electric power ★

Oil ★ Mining ★ Chemicals and Petrochemicals ★ Transport ★ Heavy engineering \star Electronics \star Light industry \star Construction and housing \star Culture and the arts ★ Profiles of Chinese leaders ★

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EUROPE'S BUSINESS NEWSPAPEI

The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

Early Wall St. mixed after Blue Chips rally

INVESTMENT DOLLAR PREMIUM

Effective \$2.940 51% (61%) Stocks turned mixed on Wall Street after an initial firming

trend that extended the late rally by Giamour and Blue Chip issues on Wednesday.
The Dow Jones Industrial
Average receded 1.87 to 826.71

reports were not available for this edition.

at 1pm. Advances led declines six to five on volume of 12m

President Carter's energy Mountain message and the offer to resign operations. by his top aides.

Selling presure on stocks was a Tiger International agreed in eased by a steady tone for the dollar in overseas markets. A added 3 to \$13.00 and Tiger ;

NEW YORK

Amer. Airlines. ... 1034

Amer. Can. 4014
Amer. Cyanamid 26
Amer. Dist. Tel. 2114
Amer. Elect. Pow 32
Amer. Express. 32
Amer. HomeProd 265a

lenguet Cons B 3% lethishem Steel 21 Black & Decker... 214

Certainteed Cessna Aircraft...

Champion Inter. 241g
Ch se Manhattan 393g
Chemical Bk. NY 41
Chessic System... 303g
Chicago Bridge... 581g
Cinc. Milacron 211g
Citicorp 233g
Cities Service... 671g
City Investing... 175g
Cleveland Cilif... 321g
CocaCola... 374g

Combustion Eng. Combustion Eq... C m th Edison Compugraphic ...

ducers reported higher secondquarter profit. Monsanto lost a fraction. Union Carbide was up slightly and Du Pont was unchanged at \$39%.

Kaiser Steel, which reported significant steelmaking losses in the second quarter, slipped \(\) to \(\)35\(\). Maryland Cup rose \$1.00 to 829; xd. Kraft said it was holding preliminary merger talks with Maryland Cup. Kraft, which also reported higher second-quarter net, eased ; to

shares.

With no new factors in the market, stocks continued to react to news of individual issues and to uncertainty generated by President Carter's energy Mountain Fuel's Reply dropped 11 to \$27. The Utah Supreme 12 to \$27. The Utah Supreme 13 to \$27. The Utah Supreme 14 to \$27. The Utah Supreme 15 to \$27. Mountain Fuel's non-utility oil

Seaboard World Airlines and

Control Data 41
Cooper Indus 55½
Corning Glass 58½
CPC Int 'rnation' 52½
Crane Co 29½
Crocker Natt 30½
Crown Zellerb'h 35¼
Cummins Engine 34½
Curtiss Wright 1456

Dart Industries 44½
Deere 37½
Deltona 11½
Dentsply Int. 14½
Detroit Edison 14¼
Diamond Shmrk 24⅓
Di Giorgio Corpn 11½
Digital Equip 54
Disney (Walt 35½
Dover Corp n 56
Dow Chemical 25⅓
Dravo 31½
Dresser 49½
Dresser 49½
Dupont 39⅓

DOW Chemical. 2539
Dray0 ... 3119
Dresser ... 491
Dresser ... 491
Dupont ... 5936
Eagle Picher ... 211
Eastern Airlines ... 734
Eastman Kodak ... 5512
Eaton ... 3931

to \$43? and Cooper 1 to \$21?. Home Oil "A" lost 1 to C\$60?. Bristol-Myers and American Imperial Oil "A" to C\$34? Can both shed fractions on news and Numaco Oil 1 to C\$36}.

American Stock Exchange prices firmed in light trading. Active Resorts International "A" rose 1! to \$45; McCalloch Oil ! to \$6; and Federal Re-sources ! to \$7]. Amdahl added

to \$25; due to a small second-quarter profit, exceeding its forecast of break-even results. Canada

Johns Manville... 2478 | 25
Johnson Johnson 7112 | 7114
Johnson Gentrol. 2714
Jostens Joy Mahufacturs 3578 | 3414
K. Mart 2558 | 258
Kaiser Alumini m 1818 | 1813
Kaiser Industries 218 | 214
Kaiser Steel.... 36 | 3558
Kaneb Services... 1814 | 184

Libby Ow. Ford... 275s | 275s

National Gan 1912 | 1978

Nat. Distillers. ... 2254 | 2214

Nat. Service Ind. ... 1678 | 17

National Steel ... 3152 | 3154

Natomas 4778 | 4714

NCR. ... 6678 | 6788

New England E ... 2214 | 2212

New England E ... 3618 | 3514

Niagara Mohawk | 1458 | 1458

Niagara Share ... 1714 | 1158

N. L. Industries ... 2351 | 2378

Norfolk & West n | 2778 | 2858

Norfolk & West n | 2778 | 2858

North Nat. Gas. 4812 | 4812

Nthn, States Pwr | 2412 | 2454

Nthwest Airliner ... 2854 | 29

Nthw'st Bancorp | 2512 | 27

27¹2 30¹4 37⁵8 16¹2 184 15⁴8 48¹4 25³8 26¹4 43¹8

The market turned mixed in quiet trading as the Toronto Composite Index rose one point to 1.551.8 at noon. Declines out-numbered advances 154 to 145. Inco fell | to CS21 | as the company reported lower earn-

Royal Dutch ... 721: 70% RTE ... 101: 105: 105: Ross Togs ... 10 97: Ryder System ... 195; 196: 196:

Smith Kine... 451g Solitron...... 51g Southdown 47 Southern Cal.Ed. 255g Southern Cal.Ed. 255g Southern Pacific 324g Southern Railw'y 541g Southern Railw'y 541g

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Union Carbide.... UnionCommerce. Union Oil Calif.... Union Pacific.....

18 501₂ 141₄ 183₄

White House statement was to \$21]. Bausch and Lomb held Oils were on the downturn as merger talks with Cooper Dome Petroleum, active on Laboratories. Bausch jumped 2, 47,650 shares, fell 1 10 C341].

Can both shed fractions on news of higher second quarter net, but Rockwell International added it to \$37½ after news of higher Kerr Addison, at C\$10½, and Dickenson Mines, at C\$82, and Dickenson Mines.

Volume was 185,894 shares compared with 1,783,676 in the previous session.

In Montreal, share prices were mixed in quiet trading as three of five leading indices advanced. Banks were on the upturn, with Bank of Montreal at C324; and Bank of Nova Scotia C824; rising 1, while Royal added 2 to C\$431.

Papers advanced with Abitibi at CS18; and Macmillan Bloedel at C328! gaining ?, while Domtar edged ! higher to C328!.

Volume was 185,394 shares compared with 191,346 on

Cons. Bathurst ... 12 s Consumer Gas 22 s Coscka Resource 8 4

Genstar 225g 235g
GiantYell'wknife 103g 103g
GulfOilof Canada 551g 55
Hawker Sid. Can. 115g 121g
Hollinger 22 42
Home Oil 'A 511g 521g
Hudson Say Mng 211g 21g
Hudson Oil & Gas 705g 72
Hudson Oil & Gas 705g 72
Hudson Oil & Gas 705g 183g
ImascotCom. Stic 111g 111g
Imperial Oil. 351g 361g
Inco 22 211g

Indal.... 1412 | 1419 Inland Nat. Ges. 1354 | 1378

Sceptre Res'urce

Walker Hiram... West Coast Trans Weston (Geo.....

CANADA

mixed. Some leading issues gained, while others reacted slightly to Wednesday's highly buoyant mood.

BMW, which on Wednesday led the market DM 14 higher. today eased DM 2.00, with Daimler and VW also showing losses. In chemicals, Bayer and Hocchst gained ground, while BASF

Bankings were firmer in generally lively trading. Karstadt gained DM 3.00, but Horten shed DM 1.00. Electricals were

little changed. On the domestic Bond market, trading was quieter than the pre-

vious day.

Public Authority loans were in demand and firmed up to 30 prennigs, enabling the Bundesbank to sell DM 65m of paper in open-market operations after sales of DM 115m on Wednesday. Mark-denominated foreign loans firmed up to 50 piennigs.

Shares closed mixed in noderate trading. Societe Generale de Belgique rose with news that its 1979 divi-. dend would at least be un-

Electrobel. AFEC. Wagon-Lits, Tessenderioo and Cometra also gamed. Electrafina, Union Minlere, Hainent Cambre Socfin and Mosane were down. Gold Mines also eased.

Among foreign stocks, British shares softened. Dutch and U.S. rose, while Canadian and French were mixed. Petrofina and American Petrofina rose.

Tokyo

0.31 up at 439.01.

Share prices closed slightly lower in mixed trading after late profit-taking pared early gains. The market average fell 1.00 to close at 6.180.30, with volume of 350m shares. The Tokyo Stock Exchange Index closed

Energy-related issues closed lower on profit-taking. Liquida-tions and export-oriented Blue absence of fresh market factors.

OGEM (FL10)....

COPENHAGEN *

Danske Bank..... East Asiatic Co. Bryggerier For Papir

Handelabank..... G Nthn H (Kr90) Nord Kabel..... Novolnd stries B Oliefabrik Privatbank

Provinsbank Soph.Berensen.

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85 x + 4 | 10.94 6.4 187.5 + 2.5 21.88 5.4 157 x + 3 17,18 5.4 254.9 + 2.5 12.5 2.5 568 + 8 28,12 2.5 168.5 - 1.7 - - - -186.7 + 1.2 25 6.8 240.8 + 0.8 28,12 5.9 240.8 + 0.8 28,12 5.9 245. - 2 29.88 3.7 89.2 - 0.3 112.5 6.9 170 16,16 5.0 153.2 - 0.8 18.72 6.1 275 28,12 6.1 212.5 x - 15 28,12 6.5

Hapag Lloyd..... Harpener...... Hoechst

Horsen Horten Horten Kali und Salz... Karstadt Karstadt Kauthof Kauthof Kauthof Krockner DM.100 Krupp DM.100 LUnde LUnde LUnde LUnde LUnde LUnde Krupp DM.100 LUnde LU

Germany reflecting a rise in international gold prices. Sumitomo Metal Mining rose Y4 10 Y159 and Farukawa Mining Y3 to X213. Chemicals also firmed, with Sumitomo Chemical rising Y4.
to Y128 and Tokuyama Soula Y8.
to Y279. The Second Market
closed higher with a volume of

Hong Kong

The market rose sharply in the market rose sharply in hectic trading, but finished below the day's highs on heavy profittaking towards the close.

The Hang Seng Index was up 9.22 to 567.05.

Blue Chips led the rise, with the market at one stage registering a 13-point gain. Properties browed with the news of a

government home-ownership scheme for civil servants, but later levelled off after a Sun-Hung Kai report forecast, an oversupply of small flats later in the year due to high interest

in the year due to high interest rates and rising costs.

HK Wharf rose 75 cents to HK\$33.50, Jardine Matheson 40 to HK\$11.30, Hutchison Whampoa 7.5 to HK\$4.82, Swire Pacific "A" 5 to HK\$4.00 and HK Electric 2.5 to HK\$4.50.

Wheelock "A" were unchanged at HK\$3.35. Banks also firmed on marke Banks also firmed on market anticipation of a rise in local interest rates, with Hang Seng Bank up HK35 to HK352.00. The Land rose 10 cents to HK87.55, while Sun Hung Kai Properties and Cheung Kong were both up 10 cents to HK310.70 and HK312.90 respectively. Swire Properties and Associated Hotels both rose 2.5 cents to HK33.40 and HK32.97

Johannesburg Gold shares eased across the

board in fairly quiet trading after lower bullion indications.

Australia Shares prices closed mixed

with mining stocks boosted by some large sales. Gold stocks eased, reflecting falls in Sydney futures prices, and the uncertain U.S. energy. and political situation.

only. y Merger pending. Asked † Bid. § Traded. † Seller. z Assumed ar Ex rights. at Ex dividend. ac Es scrip issue. ze Ex all. A Interior aince

BRUSSELS/LUXEMBOURG

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Arbed. 2,586
Bekaert B" 2,440
C.B.R. Coment, 1,054
C.C.K. Ellis 480
EBEES 2,185
Electrobel. 5,810
Fabrique Nat. 3,580
G.B. Inno Bm. 2,500
Gevaert 1,202
GBL (Brux L) 1,810
Hoboken 2,2810
Intercom. 1,705
Kredletbank. 7,250
La Royale Beigne,500
Pan-Holding. 3,030
Patrofina. 5,170
Soc Gen Banquel3,155
Soc. Gen. Beigel,1,896
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Soflas 3,595
Soflas 5,595
Traction Elect. 2,735
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Un Min. (1,10)... 760
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SWITZERLAND o

MILAN

July 19 ANIC...

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ma R'nds	85.77	85.61	85.7	. 85.78	65.59	85,70	85.97	82.92 . (9/5)	273.83	-
ransport.	248.25	247,52	250.54	246,06	246.54	248,64	25 (.56 (9/7) _188.29	(27/2)	(7/2)60) 163,32	(8/1/82) 18.61
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ooo si ooo si	35,000	54,270	26,710	35,100	31,900	56,780] -	<i>-</i>

Day's high 830.97 low 818.00

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STANDARD AND POORS			

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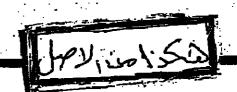
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FINANCIAL TIMES SURVEY

Friday July 20 1979



FROZEN FOODS

Despite static demand in the UK food market in general, the frozen food sector is now poised for more rapid growth, with sales likely to reach £1bn a year by 1980.

Market prospects have improved

By David Churchill lousumer Affairs Correspondent.

LTHOUGH THE total UK food narket continues to look slug-ish in terms of volume growth, he frozen food sector of the ministry appears to have egained much of its growth

In 1978, the frozen food narket grew by two per cent inerms of volume and nine per ent in sales value—making the narket worth some \$790m. This eversed the 4 per cent volume actine in 1977—largely a result f the economic recession and the 1976 drought—and market stimates suggest that frozen oods are now poised for more apid growth than in the past

Birds Eye, in particular, is redicting an average three per ent volume growth rate during he early 1980s with the market eaching £150 fp 1980 and likely r top £1.4bn by 1983.

Although such growthllowing for inflation—is still a domestic deep freezer became ood deal below the 9 per cent er year growth in real terms uring the early 1960s, its value just be set against the static emand for food overall. While nume sales of food showed >

and the industry is not opti-mistic, about much volume Cons growth in food generally in the wary o

foods since they became a com-mercial reality nearly five

decades ago.
The UK frozen food market hegan some 45 years ago when companies in the fishing industry, such as Associated Fisheries, began applying deep freezing techniques to fish. This new method of keeping fish fresh was gradually applied to

vegetables, as well.
In the 1940s, Unilever gained control of the Birds Eye name outside the U.S. but it was not until the early 1950s—when the open top freezer cabinet was introduced—that the market began to grow. By 1936, about 20,060 open-top freezers had been installed in retail outlets, which then rose to 130,000 by

Moreover, in the 1960s the more commercially available—and associated with this was the rapid growth of specialist freezer centres. But by the 1970s, the early growth rate of a still below the 1971 level down as the market became to work.

Consumers also became more mistic. about much volume growth in food generally in the early 1980s.

But in the shorter term at least, the frozen foods sector received a boost from last winter's industrial unrest and severe weather.

The cold weather disrupted supplies of fresh vegetables—thus boosting demand for frozen yegetables—while the panic-buying associated with the lorry drivers strike tended to benefit freezer centres and the larger supermarkets which had ample stocks of frozen foods.

The improved outlook for frozen frozen foods over the next few years reflects a number of factors which influence the market. The growth can also be seen as another stage in the overall development of frozen foods — with the result that large home freezers became increasingly unecowary of the extragagant claims

that large home freezers became increasingly nomic to run.

Signs

But there are now signs that this period is at an end for the frozen food industry. The declining real profitability from frozen foods meant that the new entrants to the market did not remain, while the established majors such as Birds Eye, Ross and Findus persevered to improve the quality image of frozen foods.

Moreover, a marked trend

became apparent for consumers to prefer small freezers - or fridge/freezer combinations and to buy much smaller quan-While the bulk-buying benefits were increasingly disbelieved by consumers—despite protests by manufacturers of year. large freezers — it became clear that the convenience of frozen foods was becoming a home freezers and frozen food key factor. This was especially sales in general began to slow so as more housewives went out



Leading frozen food companies see meat products as one of the strongest growth areas in the business. Above: Meat preparation at Birds Eue

are growing by 10 per cent per demand also grows.

increased demand frozen foods by consumers has been reflected in the greater devoted by the major supermarket multiples — which dominate food distribution in

Sales of prepared, or "con- the UK-to frozen foods. As the potatoes has risen by 25 per venience" foods, such as cook in- major multiples increase their cent. At the same time total bag casseroles and cod-in-sauce, sales space for frozen foods, then

The greater buoyancy for frozen foods can be seen from the main product areas. Frozen vegetables remain the biggest single frozen food product and, since 1973, the consumption of

vegetable consumption has risen

by only 9 per cent.
Also, since 1973, total potato consumption has fallen by 4 per cent while the use of frozen potato products has increased by

Although total fish consump-

by 10 per cent since 1973—frozen fish sales have risen by 11 per cent over the same period. But the real growth market for frozen foods is in meat and related meat products and cakes and deserts. In 1978, sales of frozen meat products were up by 62 per cent on the 1973 level, while cakes and desserts rose by 50 per cent over

the same period. Birds Eye, in particular, is looking to meat products, cakes and desserts as the main growth areas over the next five years. The group believes that the trend will be accelerated by social changes in eating, as well as the shift to more snacks and fast foods.

Birds Eye also predicts that ethnic foods will continue to show a longer-term growth, but fads in health foods and slimming are less pronounced, it remains the biggest. says, with the trend towards con-

cern for a more balanced diet. Ross agrees that convenience foods will ocntinue to expand. Mr. Howard Phillips, Ross sales and marketing director, also sees the caterer moving increasingly into frozen foods.

"As one of the largest food suppliers to the caterer, Ross estimates that about 14 per cent of all food purchases in this sector are now accounted for by frozen foods—and this share is steadily growing," he says. But the problem facing the

frozen food manufacturers-along with all food processorsis being able to make an adequate return from their investment. Although frozen food sales are outperforming the rest of the sector generally, there is still the inescapable fact that for much of the 1970s, the frozen food companies have been chasing sales and market shaer at the expense of profit-

Mr. Don Angel, the new chair-

that as far as the frozen food industry is concerned, "I doubt whether the real return on investment was higher than 4 per cent in 1978, and I do not think 1979 is likely to be any better.

The Inter Company Comparisons research group point out that Birds Eye and Findus have suffered from declining profit margins and return on capital. In the 1960s, ICC says that Birds Eye had a 60 per cent market share, although since then its brand leadership was seriously eroded. This has come about mainly as a result of fierce competition from the Nestle susbidiary, Findus, as well as the Imperial Group subsidiaries,

Ross and Young's.

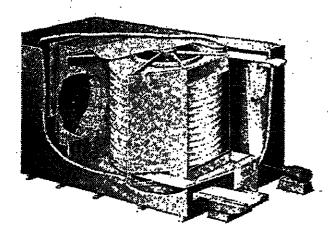
Confidence

Mr. Angel makes clear that the historically low profitability for frozen foods makes it difficult to justify major investment decisions. However, he says that Birds Eye has the confidence to invest in the future—"We are in the midst of extensive investment programmes at our fac-tories and are investing over £200m in new technology," he

For Birds Eye, therefore, and the rest of the frozen food industry, the key question in the 1980s will be whether the fresh investment to meet changing product technology, allied to the growth in consumer demand for frozen foods, will be reflected in rising profitability. Otherwise, the fierce competition that has gripped most of the food manufacturing industry recent years could lead to rationalisations in the frozen food sector as well as elsewhere excluding tion continues to decline-down man of Birds Eye, comments in the food industry generally.

Birds Eye is the world's largest frozen food company.





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Changing retail patterns

there seems no halt to the inexorable growth of the major multiples increasing their dominance of the market.

Just as the multiples are independent squeezing grocer out of the High Street, so the multiples are also putting pressure on the numerous small grocery outlets selling frozen food. In addition, the multiples are also boosting their share of the frozen food market, at the expense of the specialist freezer centres.

Figures published by Birds Eye show that the multiples' share of the frozen food market jumped from 40 per cent in 1977 to 45 per cent in 1978. At the same time, the share of the market enjoyed by specialist freezer centres slipped back from 19 to 18 per cent, while the co-operative store's share dipped marginally from 12 to 11.5 per cent.

Voluntary symbol groups lost one per cent of the market to account from some 8 per cent in 1978, while other independent grocers showed a com-parable decline, falling from a share of 7 per cent in 1977 to 6 per cent last year. The share taken by all other outlets fell from 13 per cent to 11.5 per

The increasing dominance of the multiples was also reflected in the continuing decline in the number of shops selling frozen food. Birds Eye esti-mate that the number of outlets declined in total by 7,000 last frozen food outlets throughout Britain. Of this total, 1,100 are the specialist freezer centres whose numbers have remained constant for the last five yearsindicating that the boom in freezer centres in the late 60s and early 70s has clearly

The overall decline in outlets, however, has clearly come at the expense of small grocers whose numbers have declined by about 3,500 over the past year, while the number supermarkets has marginally increased. Birds Eye expect the number of outlets selling frozen food to fall even further over the next five years, possibly by as many as 25.000. However, Birds Eye believe that the losses this time will come from the middle-ranking High Street supermarkets which next most vulnerable after the

Birds Eye expect that the shake-out of small, uneconomic stabilise, with those shops that remain adopting a far more pro-

in shopping patterns.

mean a greater concentration of the freezer centres of the sales through such outlets. Birds multiples. Eye expect that by 1983 there will be approximately 400 superstores which will account for over 15 per cent of total Bejam's chief competitor among frozen food sales—about the supermarket multiples. The same as 1,000 specialist freezer

The dominant group among specialist freezer centres is Bejam, with a chain of more than 150 specialist freezer centres. Bejam, along with the other specialist freezer centres, benefited enormously from the lorry drivers' strike last winter which led to sharp panic buying with tinned and perishable foods becoming in short supply. trouble network in January with 5m cubic feet of cold storage facilities and was well-placed to meet the exceptional demand still room for growth at the for frozen food and frozen vege-

Even after the panic buying moving into the associated fast-

freezer centres managed to However, at the same time it recruit new customer; during seems likely that the continuing the winter. However, this seems likely that the continuing the winter. However, this trend to larger superstores will obviously was also of benefit to

Stockbrokers Rowe and Pit-

man point out in a circular that J. Sainsbury is probably supermarket multiples. The stockbrokers point out that Sainsbury has 18 independent freezer centres and 66 in-store department. Market research indicates that some 30 per cent of Bejam's customers also shop at Sainsbury, and Bejam shares more common factors with Sainsbury than with any other multiple. Rowe and Pitman suggests that this may be partly because both are predominantly

suffered very little While Bejam sim has printing with its distribution of room for expansion within the specialist freezer centre section if the sector as a whole has stabilised, there is

southern-based groups.

increased their dominance of selling space the frozen food retailing there are still suggestions that many supermarkets fail to realise the frozen foods. cutting on lead lines such as peas, fish fingers and beefburgers, often leads to a distortion in cabinet displays. More space is given to the front line products at the expense of other lines which could be more profitable—and sales of which can produce real volume growth in the market

Profits

When supermarkets increase their selling space overall, they usually stock more up-market and slower-moving lines which nevertheless carry much higher profit margins. Paradoxically, however, some supermarkets which increase their allocation of space for frozen foods often expense of less - successful devote the extra space to a freezer centres. Bejam is also multiplicity of cheaper brands. While these may be important

IN FROZEN food retailing, as fessional approach and fulfilling was over, sales returned to their food or take-away market in terms of volume sales, their in general grocery retailing, an important convenience role normal level—suggesting that through its "Trumps" chain inclusion does not improve the Although supermarkets have profitability per square foot of

> Duplication of brands, believes Birds Eye, is a mistake if the ranges offered by manufacturers are similar. The only full profits potential from facturers are similar. The only frozen foods. Intense price real exception to this role is where a retailer has a good own-label to offer as an alternative to the main brand.

Although frozen vegetables remain the single largest pro-duct group within the frozen food market, their profitability is not that high for retailers. The growth markets are meat meat products, and cakes and desserts.

Retailers also are apparently reluctant to take too long term a view of the market and invest substantially in back-up facili ties such as storage space However, as the importance of increasing overall store profitability through frozen foods becomes clear, then retailers are prepared to devote more investment into frezen foods. At pre-sent, only between 5 and 8 per cent of selling space is devoted

But the continuing multiple



will lead to all grocers account ing for about 80 per cent of total sales within the next five years

David Churchil

Demand for smaller freezers

decline of the small grocer.

grocers—which has been going on throughout the 1970s—will

Large freezers are certainly not as popular as once they were and, increasingly over the last few years, the trend has been towards smaller appliances and particularly fridge-freezers: 27 per cent of owners now have a fridge-freezer, 28 per cent an upright and 45 per cent a chest freezer. Again, the regional picture differs from the national scene and in one "emergent" region, Tyne Tees, more fridgereezers are owned than any

reach 55 per cent by 1983.

south-east and Anglia-where

homes now own a freezer.

freezer ownership is strongest in the C2

other type.

The fact that fridge-freezers now outsell all other models and are likely to continue so to do-inconfirmed by the leading domestic appliance manufac-turers. They anticipate growth in sales of small freezers (8 cubic feet and less) which will be bought by housewives who already have modern re-frigerators and no available kitchen space to devote to a larger model.

It seems likely that one of the main reasons for this switch to smaller freezers has been reater consumer sophistication in the use of a freezer. When freezers first were introduced, it was the cost-savings that could be achieved from large bulk purchases which were seen as a major selling point.

However, consumers have now become more aware that buying

THE POPULARITY of domestic a wider range of frozen foods freezers continues to grow, is a more effective use of a according to latest market esti- freezer than bulk-buying of fish mates of the freezer industry. fingers or beef burgers. These show that some 40 per These show that some 40 per Thus, there is a clear trend cent of UK homes now have a towards smaller packs, in line freezer-an increase of 5 per with the trend towards smaller

cent on 1977-while market freezers. More than half of penetration is expected to freezer owners' frozen foods is now bought in packs of 2 pound Market research shows that or less. Even in vegetables, which are the traditional strongsocio- hold of the large bulk pack, economic group and among some 60 per cent of purchases families with children. On a are in small sizes. regional basis, London, the

Market

freezer ownership has been longest established—are still The significant point about leading the field. But the fastest ownership statistics is that growth is in the Yorkshire freezer owners buy more frozen region where 36 per cent of food than non-owners. In 1978, However, the major move according to the Birds Eye ment within the freezer market Business Report, published within the past few years has earlier this year, freezer owners been the trend towards smaller spent £290m on frozen food. This represents 48 per cent of the £605m market for frozen food consumed in the home (55 per cent in volume terms). In a situation where future volume growth is a matter of concern to Britain's frozen food manufacturers, increasing freezer ownership may well be their only real cause for optimism.

As freezer owners grow in numbers, so, too, does the pro-portion of their expenditure on frozen food accounted for by grocery freezer departments. Predictably, the owners of small freezers and fridgefreezers shopped most in grocery freezer departments, but even chest freezer owners bought half their frozen food from grocers in 1978.

Last year, Britain's 1,100 freezer centres accounted for a slightly smaller percentage of freezer owners' expenditure on frozen foods than they had in 1977, their share slipping from 35 per cent in that year to 34 per cent in 1978.

The advent of the freezer centre brought about a pro-liferation of smaller brands, most of which were able to undercut the leading manufacturers. The major producers suggested at that time that some of these small competitors harmed the frozen food industry in the early days by selling large in the early days by selling large packs of low-grade merchandise, thus alienating the freezer owner who found the quality unacceptable. Today, however, smaller brands and own-labels, in particular, do well in freezer centres and, while Birds Eye claims to be the best-selling claims to be the best-selling brand in this sector, its share is nothing like as large as the 48 per cent of frozen food sales through grocery outlets for which it accounts.

While frozen food manufac-turers generally have benefited from the home freezer boom, no group has had a change in for-tunes comparable to that ex-perienced by Britain's ice cream

producers.

Home freezer owners eat 62
per cent of all take-home ice
cream. The amount sold
through grocery and freezer
centre outlets rose by nearly 20
per cent in 1978, according to
Wall's.

A support conducted by Wall's

A survey conducted by Wall's last year also revealed that nine out of 10 freezer owners buy ice cream and that, whilst 75 per cent of them claim to eat it two or three times a week or or more in the summer, 40 per cent said that they ate it just

as often in winter.

But the outlook for the major producers has become clouded by competition from own-labels and regional brands, which is probably more fierce where ice cream is concerned than in any other sector of the frozen food

Taking frozen food sales in general, it is on large packs that the price differential between

manufacturers' brands own label is most apparent. If the long-term trend is, in fact, towards smaller packs, then it seems unlikely that the challenge to the major brands from own-label will increase. Such down-trading as exists among freezer owners is confined, in the main, to vegetables and is less apparent with the prepared foods on which the leading manufacturers are concentrating their efforts.

Until about a year ago, Birds Eye, when issuing their annual updates on freezer ownership statistics, used to refer to freezer-owning households as "freezer families"—the implication being that they were an easily identifiable group with a discernibly different lifestyle.

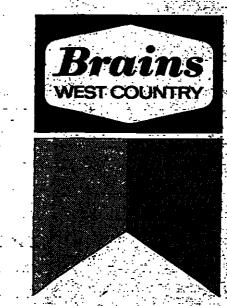
But the latest Birds Eye this is no longer the case since, that most people use, it will have no more significance to them than any other domestic

Whether or not the recent increase in VAT will have any effect on sales of freezers remains to be seen, but most industry observers think it unlikely.

That being so, Birds Eye believe that 55 per cent of homes will have freezers by 1983 and account for 67 per cent of in-home frozen food sales at a time when the total market will be worth, in their view, 1978

Growth of home freezer ownership in the UK.

UK SALES OF HOME FREEZERS Showing households owning freezers, 1973-78 (units 000s) Freezers Fridge/freezers Total owning (%) 812 150 2 962 851 26.0 32.2 1,329 37.0 Source: Based on National Food Survey data.



Our first number one came when Brains Faggots Kraft to the British frozen food industry.

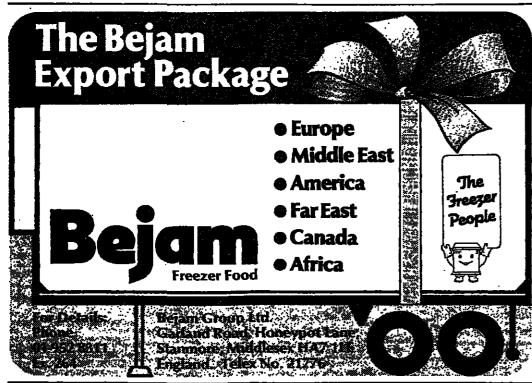
And then, in February and March of this

year, our determination paid off; Kraft Frozen Foods outsold all their competitors became brand leaders in the combined - by capturing 70% Bulk Meat and Pastry Market. of the Frozen Faggot Market. Now, with the launch of

It was an encouraging start for Cheese Pastry Sausage Rolls a company as committed as and the development of other highly market-orientated products in the Cheese Fayre

range, it looks as if our third 1st is on its way.

III aid the of



Wall's build ice cream markets

Soft Scoop ice cream—the first ice cream ever to scoop straight from the freezer. Cornetto the biggest ice cream brand in Britain.

Just two in a long line of ideas pioneered by Wall's — the ice cream innovators.



Optimism among 1ce cream manufacturers

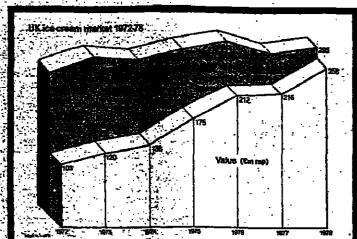
HE RECENT spate of warm reather has had shirt-sleeved xecutives from the major ice ream manufacturers wirtually ubbing their hands with glee. although the overall level of ousumer spending and the skill of marketing techniques play in important part in determin-Ing the level of ice-cream sales, good stimmer can make all the afference to the industry's per-

prinance.
The longitud summer of 1976, or example, say his cream sales each a satisfic level of 322m tree. I say his which the plantity has yet to see repeated. But if those executives responible for the cream sales are minusly studying the weather oretasts. The managements sponsible for the frozen cakes not desserts market are hardly onlying. Frozen fresh-cream orrying. Frosen fresh-crea ikes, desserts and other bakery roducts for in-home consump-on are claimed to be the istest growing sector of the 275m litres (where it had rizen food market slipped after the exceptional

in absolute terms, however, he market for ice cream is still bout four times the size of the ozen cakes and dessert mar-t. According to Wall's, the ice eam market was worth some y that the cakes and desserts actor has a value of £63m.

ncrease

Since 1972 the ice cream arket in Britain has increased volume by about a third. The arket dropped in 1974 and But there were several other. growth at a time when the ke similar claims about overall market growth.
Tained volume growth." The reasons for the n



improved over the previous year. In volume terms, the market grew by 7 per cent from level reached in 1976) to reach 295m litres. In value the market increased by 19 per cent from £216m to £258m.

The market's growth in spite team market was worth some of the weather was probably 158m in 1978, while Birds Eye thanks to the buoyant level of consumer spending generally. Average earnings rose by approximately twice the level of retail prices last year and personal disposable income grew by 5.3 per cent in realterms, compared with a drop of 1.5 per cent in 1977.

the higher sales. Much of the retail food market is not volume growth last year was the owing. Mr. Dick Bourchier, result of higher sales through les director of Wall's Ice supermarkets and specialist feam, suggests that "this freezer centres which together skes ice cream a member of a boosted their ice cream sales rly exclusive club. Not many by some 19m litres approxiducts in the food market can mately the same as for the

The reasons for the multiples Although the weather is and freezer centres increasing wiously the key determinant sales by so much is largely that rexceptional ice cream sales; they are the main source of industry's improved per-frozen foods for freezer owners mance last year during a bad. Freezer owners eat twice as the sole criteria for success, non-owners and freezer owners sumption at summer's weather saw 20 are also less likely to be attractive. I cent less sunshine than usual affected by the weather in their. The ice

sumption. Moreover, freezer

owners are more likely to buy

frozen foods such as ice cream

when their disposable income

increases.

Walls points out that freezer ownership during 1978 increased from 38 per cent of households to 44 per cent adding another 700,000 households to this group of heavy ice cream consumers. Because of their higher year-round consumption of ice cream, purchases by freezer families help to offset seasonal effects on sales.

Equally important, however, was the fact that the increase in sales through multiples and freezer centres did not come at the expense of other sectors of the market. Volume sales through sweet shops and other major outlets held their own while sales through caterers actually increased for the first time in several years.

Other factors behind the higher sales were the rise in cinema audiences—traditionally substantial purchasers of ice higher cream—and through other leisure outlets such as bingo halls and theatres. More homes also became fmance last year during a bad. Freezer owners eat twice as centrally heated, which miner shows that it need not much ice cream on average as obviously makes ice cream consumption

The ice cream market is split I 10 per cent more rain—yet decision to buy ice cream, since between impulse sales—which but still failed to make an so by both volume and value they buy some time before con—account for some 36 per cent impact on the market. By this

multi-packs of ice cream.

The two main companies in panies have nearly three-quarters of the UK market.

market - ice creams you buy and eat out of doors instead of taking home — was suffering in the mid-seventies from the declining birth rate; children form the bulk of impulse buy purchasers. In addition, the closing down of many small confectioners because of market pressures meant that outlets were declining. And the growing snacks market also was hitting impulse ice cream sales.

So the major companies decided to make a bid for the adult impulse buy segment of the market (Adults can afford to pay more for more sophisticated ice creams, so the marketing theory goes.

Research

Market research has shown that UK consumers believe that Eye, Lyons and Ross are among the best ice cream comes from Italy and in fact it was in Italy, in 1959, that Walls' Cornetto ice cream was first launched. Cornetto is comprised of a crunchy sugar cone, lined with chocolate to stop it going soggy, and filled with white ice cream and topped with hazelnuts and

Throughout the 1960s the Cornetto brand was developed throughout Europe and in 1964 Walls attempted — unsuccessfully — to launch it on to the UK market. However, at that time market research showed that adults felt that it was at home more childish to eat ice cream cornets, especially out-of-doors. In 1970 Walls tried again-

of the market—the traditional time, however, social attitudes take-home segment with 28 per were changing and holidays cent, and bulk sales accounting abroad were more common. for 24 per cent. The rest of (This is one of the reasons the market is made up of minor for the rapid growth of Conti-sectors such as impulse-buy neutal lagers in the UK throughout the 1970s.)

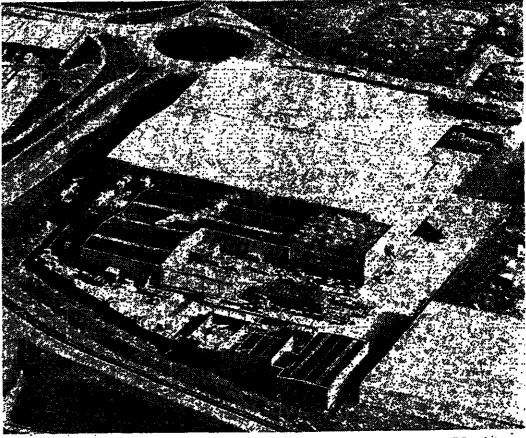
Thus in 1976, in a heat-wave, the industry are Walls, which is Walls again launched Cornetto owned by Unilever and Lyons in an attempt to capture the Maid. Together these two compotentially lucrative adult panies have nearly three-impulse sector of the market. This time—helped by the exceptionally hot weather—the present engaged in a marketing battle for dominance of the higher priced section of the impulse market. The impulse market — ice analysis of the impulse of the impulse market — ice analysis of the impulse of the and Cornetto now accounts for between 12 to 16 per cent of Walls total ice cream sales and is the market leader.

> Lyons hit back in 1977 with its own King Cone premium-priced ice cream. Like Walls, Lyons had previously made a bid for this market in the mid-1960s and for several years persevered with its King Cornet brand. But consumers' reluctance to buy such a higher priced premium product meant that the brand was eventually withdrawn in 1971.

> re-launch in 1976 has given it the clear edge in this market —but both companies are heavily advertising their respec-

The competition is no less fierce in the frozen cakes and desserts market, where Birds TO A LARGE extent, farmers low prices. Naturally, frozen make things worse, demand for the main protagonists. The key to the rapid growth in this sector is obviously the boom in home freezers and the greater willingness of supermarkets and freezer centres to stock frozen cakes.

Ross say that last year frozen retail cake sales expanded by a third and were worth £24m -with growth of a further 29 per cent forecast for this year. For the grocery and cash-andcarry trade, cakes are prospectively one of the most attractive lines, with a high unit value and offering enormous scope to those prepared to give wellpositioned display space to them," says Mr. Ian Palmer, Ross Dessert



Christian Salvesen's process, storage and packaging complex at Woodston Industrial Estate, Peterborough. Designed and constructed by Smith and Partners, the 78,000 cubic metre complex can accommodate up to 18,000 tonnes of frozen foods at -29 degrees Centigrade. Around 1,000 tonnes are handled in-and-out every week

Influences on the vegetable market

and frozen vegetable processors have to live with the same risks from annual market trends, legislation and, above all, the weather—which makes it all the more a pity that the two sides cannot co-operate more closely.

Talks started last year on a new type of pea-growing con-tract, under which marketing risks could be shared, but no one expects early agreement to break the pattern of yearly wrangles which disfigure relations between growers and freezers.

The last two years provide ample illustration of the problems. In 1977, there was a bumper crop of peas for freezing, and processors' unease turned to dismay when the harvest was followed by a glut of autumn and winter vegetables selling at

vegetable sales suffered.

the weather last year turned west and south west. nasty. Disease was rife, pea-yields from smaller acreage feel aggrieved that their con-

The freezers issued warnings

scarce frozen vegetables this-Expecting difficulties with spring was fortified even more large carry-over stocks, the than usual by the disasters freezers attempted to set things which overtook winter vegetable right by imposing a cut in the crops. And then had weather acreage of peas contracted for wiped out more than half the 1978, along with a price stand- spring and early summer greens still. As chance would have it, and cauliflowers growing in the

slumped and, by September at tract acreages were reduced and least, one processor, Findus, was prices frozen last season. But no importing peas to meet its one could have forecast such a reversal of fortunes.

Grievances are now to some that Britain might even run out extent allayed by processors of its favourite green peas who try to compensate growers before the 1979 crop arrived. in succeeding years' contracts. Farmers immediately began But such one-sided arrange-pressing for compensation to arrangements are far from satismake up for the shortages and factory. The freezers have been "losses" they suffered. To trying to persuade growers to

CONTINUED ON NEXT PAGE

Findus go trom success to success.

Last year Findus sales went up 16% to over £100 million and this year sales are up 19% against a market growth of just 11%.

New products meet consumer needs

We've worked for our success. by anticipating changing requirements in the frozen food market, and introducing the products to satisfy them.

A quarter of our total sales now comes from products launched since 1974: innovatory products like the Calorie Counters range, Savoury Pancakes, Double Deckers and now in the London area French Bread Pizza.

These products fulfil the needs of changing sociological and eating patterns: for example, the increase in the number of women combining a family with a full-time job, and the

trend towards individual as opposed to family meal-times.

New technology

As well as introducing innovatory products, we have pioneered the technology needed to produce them. At the same time, we have further developed the processing of our range of commodity products.

Heavier advertising and promotion

Spectacular sales success and effective advertising go hand in hand. And this year, we'll be more than doubling our advertising effort with the result that we'll be spending over £5 million on advertising and promotion, all with the singular objective of maintaining the successful sales momentum we've generated this year.

Co-operation with our retailers

Findus foods are stocked by all major retail groups in the U.K.: a result of their confidence in our products, and our belief that co-operation between manufacturer and retailer is the key to market development.

Findus U.K. is part of an international company, whose products are available in 49 countries and whose efforts to meet changing consumer needs have made it the fastest growing frozen food company in the world.

By continuing our work as pioneers, we intend to earn even more success in the future.



Savings achieved with new technology

THE FIRST record of a store capacity in the UK. commercial refrigeration pro-cess dates from Rome in the 1540s when table wine was during the last 20 years has saltpetre in water.

A market for frozen food worth £790m in the UK alone has developed from that humble beginning, with technological developments in freezing processes, cold storage, distribution and retailing providing the ways and means for the industry's expansion.

The establishment of a foolproof system of storing refrigerated merchandise more or less indefinitely at precise temperatures has formed the basis of the industry's growth and present strength. Although the first cold stores were built the 1880s to serve the growing frozen meat trade between Britain and Australia and South America it is really only since the 1950s that the new technology of frozen food has come into its own.

Cold store capacity in the UK has increased from about 45m cubic feet in 1945 to around 170m cubic feet today. The cold store operators include Christian Salvesen and Frigoscandia which together operate about half of the cold

The major development in the chilled using a chemical process been the design and refinement which involved dissolving of the prefabricated insulation These panels are now used

throughout the industry and have provided three main benefits in cold store construction. First, it has become posto create clear-span chambers resulting in material handling benefits. Second, construction time and therefore cost have been substantially reduced. Third, by developing strengthened panels costly steelwork has been minimised.

Example

Among the companies to pioneer and develop the panel system in the early 1960s was Smith and Partners, a company which was established in 1874 and claims to have constructed more than 75 per cent of the cold storage capacity existing in Britain today. The development of the company's prefabricated urethane foam panel allowed clear-span chambers free from mezzanines, pillars and bollards to be built.

There are now many types of Ford, Hampshire, and is in the

Frigopanel.

A practical panel must not igopanel was first produced sandwich, the preformed outer where the company recently skin of which has reinforced ribs to help it withstand considerable air pressure differentials between the inside the company recently completed a 750,000 cu ft cold store for Christian Salvesen at Chateau-neuf-sur-Loire in France. and outside of the chamber.

The Frigopanel, first pro-

duced in Sweden, is now manufactured under licence in the UK and can be made to a maximum 25 metre length. Sales of the panel, which is "zipped" together and sealed on site, have increased ten-fold in five years. The UK-based O'Gorman Group has also developed a sophisticated prefabricated panel system which is proving a major success not only in the UK but also in the expanding Middle The company East market. panel over competitors, including increased structural rigidity, high performance and long life. W. H. O'Gorman Manufacturing produces the panels at the company's plant at Chandler's

resulting from a major five-year export drive which has already only have a very low heat con- landed the company a £7m conductivity; it must also be strong, tract in the United Arab hygienic and corrosion-free. The Emirates for three 910,800 cu ft cold stores, at present under in 1970 and consists of an construction, and an important aluminium polyurethane foam foothold in the European market

> The O'Gorman panels consist of SP grade Styrofoam extruded polystyrene board sandwiched between pre-stressed steel skins. The insulation core can also be made in high density polystyrene bead board and the company's plant can manufacture complete laminated panels of up to 12 metres long which need no support, vertically or horizontally, except at each end when used as ceiling insulation.

Because of the panel's structural rigidity there is a large saving in structural steelwork. claims major advantages for its This, plus the elimination of the need for cladding-the steel skin comes in a range of colours and weather-resistant finisheshas led to economies in the cost of materials and cost savings in erection times.

Range

The panels are also manufactured in a range of core thick-nesses from 2 ins in a standard 4 ft-wide module to any length required. The company recently introduced a unique 12-in thick insulation panel leading to the potential for major savings in energy costs.

With fuel costs mounting. energy saving developments in cold storage may become a major feature of future design. The O'Gorman Group believes that for a 1m cu ft cold store the energy savings using the 12-inch panel could be as high as £7,500 a year—equal to more than £1 an hour on the basis of refrigeration plant operating at the norm of 18 hours a day,

The move by manufacturers like O'Gorman and Frigoscandia into the field of consultancyoffering a turnkey project which provides the customer with a cold store complex from design through construction, insula-tion, refrigeration, offices and machinery, including materials

panel on the market, including process of doubling production handling and other equipment Frigoscandia's own panel called capacity to meet new demand —has not only opened up new markets but has also led to further refinements in cold store design.

> as well as operational criteria. hard at work on prototypes and indexing plate frosters.
>
> The O'Gorman Group has companies like Smith and Part. Drum freezers have als recently introduced a new auto-

matic door system supplied for either manual or automatic operation. The door, which again employs the insulation panel, incorporates special safety features including a manual control leaves which combine the trol lever which enables the door to be opened swiftly and easily should the power supply fail. Another safety feature is an "instant stop" mechanism which prevents the door from closing further if it touches anything in its path.

Automation

Further developments in the field of design will come with the advent of micro-chip technology. The trend towards greater automation is already apparent within the cold store...

The evolution of the huge clear-span store was slightly in advance of mechanical handling developments, which therefore enjoyed total freedom of growth in the cold storage industry.

One of the weakest links in demand for the fully-automated conventional air blast freezing the cold store system is the door, store. This does not yet exist—systems include more efficient since this is subject to punishing partly because of the capital equipment including spiral use and must meet strict safety costs—but market leaders are freezers and automatic or

In store lighting has also come quality under scrutiny as the advent of Quality more sophisticated racking One of the fastest freezing assemblies and their attendant methods using liquid nitrogen handling programmes led to the adoption of fluorescent lighting in place of filiment bulbs.

The two other key elements in the frozen food chain where

equipment can play an increasingly important role are food freezing and food transportation.

Most of the food frozen in

Mobile racking and other in- the UK is done by air blast which are efficient converters store developments, which prob freezing tunnels, many at the of energy. The Polarstream ably came to maturity in this end of the production line system, however, is entirely industry only as recently as hence the term "in line" non-mechanical and while it is 1974 have now led to a greater freezing. Developments in the more expensive to run it is

Drum freezers have also been ners believe the first operational example may be expected within a year or so.

Other developments in the refrigerated drum and the Germany by Union Carbide and field of cold store operation frozen sheet scraped off as the manufactured in the U.S. and field of cold store operation frozen sheet scraped off as the manufactured in the U.S. and field of cold store operation frozen sheet scraped off as the manufactured in the U.S. and field of cold store operation frozen sheet scraped off as the manufactured in the U.S. and field of cold store operation frozen sheet scraped off as the manufactured in the U.S. and forum rotates. The sheet is They inject liquid altrogen from then broken up and packaged a apter header which stretches the length of the vehicle appearance include soups, juices and sauces. BOC estimates that the cryotest ing the problem of vehicle transfer is the enclosed loading bay where the vehicle backs right up to an enclosed and refrigerated bay connecting directly to the cold store itself.

In store lighting has also come

Out of the vehicle transfer in the expensive to the content of the U.S. and the cryotenic species of the content of the con ners believe the first operational developed in which liquids or dential areas.

methods—using liquid nitrogen, carbon dioxide or liquid freon has brought improvements in food quality but the applications of this type of technique have proved to be more limited

has provided an alternative to conventional mechanical systems for refrigerated transport

venicies.

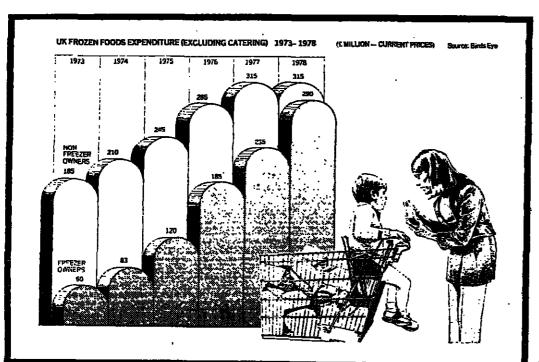
Most refrigerated vehicles change will accelerate manufacture their own cold on the spot, using mechanical units.

Paul 1

spiral the liquid mitrogen system is its equipment including and or slient operation of consider-freezers and automatic or slient operation of consider-tation plate fresters able importants if unloading is: to take place at night near rest

become more competitive One possible development for the future could be the use of cryogenic systems to sull down" the box temperature very quickly before the vehicle leaves the deput and then the utilisation of a mechanical unit

than was initially expected. Broughout a lourney
BOC has pioneered the liquid. The pressure for energy
nitrogen freezing tunnel while savings improved food quality
the Polarstream unit using LN, and more efficient use of resources will ensure the continuing evolution of frozen food equipment and the general in dications are that the pace of



Vegetables

CONTINUED FROM PREVIOUS PAGE

accept deferred payment contracts under which unforeseemarket or influences can be balanced at the end of each season. But the traditional atmosphere of distrust between farmers and buyers clouds prospects.

To complicate matters further, some large-scale growers with access to freezing plant have going into the frozen vegetable business on their own account to the discomfort of the processing establishment.

"cowboys" have opened up fruitful new ven-tures. Often their freelance enterprises are underwritten by their regular contracts with the normal. leading processors. They grow vezetables at minimal cost. freeze them independently and sell them to anyone willing to. pack and distribute them usually to caterers—paying little more than lip service to the quality criteria on which the vegetable industrý founded its success.

Birds Eye has attempted to refuse this danger by offering to take in the extra crops and dispose of them through their own catering outlets. It is interesting that the few growers who have taken up the company's offer are willing to be paid on a "shared risk" basis.

While others in the industry have declared themselves wary of anything which might damage the quality reputation of frozen vegetables, they are eagerly watching for the effects of the new contractual tech-niques being applied.

Volume sales of quick frozen white fish in Britain last year were lower than at any time in the preceding five years. Disposals of both retail and catering packs fell, and production was also severely reduced.

Total sales were only 126,500 tonnes (59,200 in retail packs and 67,300 for catering), compared with 134,400 tonnes (61,700 and 72,700), in 1977. In 1978, caller were at a peak of 1976, sales were at a peak of 150,800 tonnes.

The reason for the decline,

the processors say, are easy to

find. Landings were too low.

prices were too high and duties on imports of cod and other prime fish were not reduced enough to ease the pressure. In the longer term, when European fisheries policy has been settled, the freezers foreample supplies caught relatively cheaply. But in the meantime they face a hard struggle to keep their products on the consumers' regular

shopping list: Cod landings in Britain fell last year, and at 83,000 tonnes were about half the catch taken in 1976. Haddock was particularly scarce. Landings were 10,000 tonnes lower than in 1977 and more than 20,000 tonnes down on 1976. The catch of plaice and saithe—the other main-species used by processors—

also fell. The han on herring fishing in most of Britain's waters has diverted consumers' attention to other types of wet fish to the cost of freezers, and while mackerel has been used increasingly as a substitute, it still has a long way to go before it can be considered a fully-effective substitute.

The processors say while the climate persists of limited supply, continuing price increases, falling demand and, above all, uncertainty generated by the lack of a clear fisheries policy, that they will be unable to plan properly for the future.

Much has been said about the possibility of using mackerel and other little known types like blue whiting for freezing. But without clear direction there is little prospect of any major manufacturer undertaking the necessary investment policy changes needed to make the best use of them.

If those attempting to for mulate a Community fish policy in Brussels are to be believed conservation measures in the not-too-distant future will ensure that stocks and catches of traditional white fish like cod and haddock could fairly rapidly be restored to something like

In these circumstances it extra acres of peas and other makes little sense for the industry to undertake radical changes in operations if in five or 10 years their supplies could be so greatly improved.

The leading frozen food companies see meat products as one of the strongest growth areas in the business. Processors claim that sales will follow recent trends and continue to increase at a faster rate than demand for fresh meat.

They back up their optimism with figures culled from the National Food Survey which show that while total meat sales in the UK have risen 6 per cent since 1973, the rise in the sale of quick frozen meat products has been 62 per cent. Last year. consumption in homes of quickfrozen meats was 97,000 tonnes.

Apart from the pressure of high prices suppressing demand for traditional primal cuts, the processors are also relying on a continuation—even accelera-tion—of the strong demand for ready - prepared convenience

There is now plenty of evidence that the fashion for buying large capacity freezers and filling them with butchered carcasses bought in bulk is on the New buyers go for smaller

capacities. and long-standing "freezer families" seek smaller models when buying replacements. To fill these smaller models, shoppers are looking for more compact, ready-made

In that swings in fresh meat supplies are not usually re-flected in violent price fluctuations, the meat market as a whole enjoys a measure of stability not found in the vege-table trade. This, too, has contributed to the freezers' confi

Challenge

They also appear to be successfully beating off the challenge from the smaller-scale newcomers to the market. The fight has been costly in terms of research and development, but there is evidence that the interlopers have been unable to maintain the bridgeheads they have won in this sector in the

However, frozen food companies are not immune from the problems of the food processing industry at large, which has seen margins shrink to around 2 per cent. The meat sector suffers greatly from high raw material costs. Manufacturing beef prices have risen sharply in the past year, and while there has been some relaxation of the punitive controls against imports from non-EEC countries, efforts to obtain supplies from the Community's own intervention stores at pre-ferential rates have proved

Christopher Parkes

whocaters forthe

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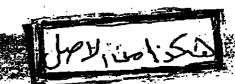
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narrow

HE GAP between producer nd consumer proposals, on ocoa price support levels under he International Cocoa Agree-

At the latest session of talks, bich began in Geneva this eek, producers have proposed buffer stock "floor" price of 36 cents a lb. This compares vith demands for a floor price This compares f 186 cents a lb at the previous neeting in February.

The consumers have also

The consumers have also The continued strength of group, had been permitted to condined their position and are sterling, against the dollar, was start trading in the market ow seeking a floor price of the man influence behind the Until now, Intsel—a ring deal-30 cents a lb against 74 cents 1 February.

Delegates at the conference. eld under the auspices of the N Conference on Trade and evelopment remain hopeful nat further progress can be lade. They noted yesterday ant discussions on prices were till at an early stage.
On the London futures

tarket yesterday cocoa prices ad a fairly quiet day. With no indamental developments feeting the market September elivery cocoa closed £4 higher £1.422 a tonne after reaching 1.435 during the day.

U.S. guayule report nearly completed

WASHINGTON - The U.S. griculture Department and ie Joint Commission on uayule Research and Commeralisation are nearing compleon of a comprehensive plan or research, development and mmercialisation of guayule a domestic source of natural

Mr. Weldon Barton, director the USDA's office of energy, Congressional submmittee the USDA -" sees in layule a realistic opportunity address a number of pressing

Mr. Barton listed expected nefits in energy, by providing newable resource replacement r fossil fuel feedstocks, in rategic materials, by assuring domestic supply of natural bber for military aircraft and avy equipment tyres, in water

inservation, as guayule has wer water requirements than tost crops now grown in the uth western U.S., and for onomically depressed populaons such as the Indian tribes the south west who could nefit by participation in proand marketing of

Cocoa pact | Copper market down again

Lead followed the downward

tonne-falling below £500 for

the first time since January this

of the Pechiney-Ugine-Kullman

ing member of the Exchange

has been prevented from trad-

ing in aluminium fatures

ducers, has been strongly opposed to the market. The

producers claim that it threatens the whole stability of

the existing aluminium pricing

Pechiney emphasises that it

remains opposed to the futures

market but recognises that

Intsel, as ring-dealing members

of the Exchange, must be able

to offer its clients the use of

aluminium futures, as well as

And Mr. Butler ruled out any

appeals this autumn for further

increases in common Commu-

nity price levels. The alterna-

tive was temporary special

measures, he said, although a

final decision on the best form

of aid would have to wait on

the strength of the pound.

developments in inflation and

farmers would need Govern-

ment grants to help them con-

serve energy through conversion

of glasshouse heaters to gas or

buildings.

coal and insulation in farm

But he admitted that some

farmers had been crying "wolf"

over shortages of tractor fuel

in recent weeks. Only a few

had run out of diesel, he said.

their suppliers in advance how

Mr. Butler also claimed

BY JOHN EDWARDS, COMMODITIES EDITOR

COPPER PRICES on the Landon squeeze on nearby supplies Metal Exchange yesterday fell to eases. tent has been sharply narrowed the lowest level since December ut is still considerable as further speculative sellingas further speculative selling trend in copper. Cash lead drove the market down again. closed £24.25 lower at £493.5 a Cash wirebars closed £16 lower at £763 a tonne-nearly £40 down on the week and the year. three months quotatian fell . Aluminium futures received below £800 for the first time this a boost yesterday when it was year, closing £15 lower at learned that Intsel, a member

> further decline, but the market. is also being hit by a lack of buying interest as well as fears of an economic recession in the because Pechiney, one of the U.S. However, some Landon world's leading aluminium protraders noted signs of resistance at the lower levels and believe the market may now steady for the time being at

Cash tin prices fell sharply for system. the third day running, closing a loss of nearly £550 this week and the lowest level since

The tosh price premium, over the three months quotation, has been narrowed to only £50 as a the other Exchange metal result of freer offerings as the markets.

BY CHRISTOPHER PARKES

BRITISH FARMERS, with a 13.5

per cent increase in commodity

prices already won this year, are

Mr. Richard Butler, president

planning a new incomes boost.

of the National Farmers' Union, said in London yesterday that if

UK inflation remained at double

the Community's, ways would

have to be found to give price

He suggested that the value

added tax mechanism could be

used to make payments to far-

mers. Two years ago "negative"

VAT was applied to help pro-

"We cannot live with infla-

tion rates between 15 and 20

per cent," Mr. Butler said. He noted that in April, inflation

was 3.5 per cent in Germany

and 13.5 per cent in Italy. The

10.1 per cent level in Britain was

forecast to rise to 17.5 per cent.

In the first six months of the

ducers in West Germany.

increases to farmers here

NFU warns of need

for incomes boost

New Brazil coffee crop frost threat

By Our Commodities Staff BRAZILIAN COFFEE traders were "very concerned" about the possibility of a frost in coffee growing areas early teday or temorrow morning, Reuter reported from Rio de Janeiro vesterday

The traders said an intense cold air mass was moving quickly towards the southern part of Brazil from the Pacific. The belt of cold and windy weather which often precedes a high pressure cold front is already in Parana, the southernmost coffee state, and is expected to continue moving north, they said.

Brazilian National Weather Department, last night forecast a sharp decline in temperatures in southern Brazil " in the next 24 to 48

On the London robusta coffee futures market prices opened sharply lower yesterday contrary to expectations based on a strong overnight closing tone in New York.

But prices quickly began to recover and by the close September coffee was quoted at £1,917 a tonne, up £46 on the day.

London dealers said the latest U.S. Department of Agriculture estimate, putting the Brazilian crop at 20-22m

bags (60 kilos each), had little effect on market sentiment. The figur was only slightly higher than the Brazilian Coffee Institute's 19m bag estimate, they noted, adding that it was still too early to gauge acurately what the crop will be following the May/

June front. In the meantime local growers are said to be increasingly concerned at the lack of rain to help the trees from the frost damage.

India may review jute buying plan

NEW DELHI-The Government may ask the state-owned Jute Corporation of India to review its raw jute purchase plans because of the drought in Eastern India earlier this year, Mr. George Fernandes, industry minister told Parliament.

He said the corporation had planned to buy 2.5m bales of As a safeguard for the coming jute in the 1979-80 season harvest and autumn cultivawhich began this month, comwith its purchase of tions, he warned farmers to tell pared 800,000 - bales last year when jute and mesta production sting of year, tractor fuel had risen 19 much fuel they were likely to jute and mesta producti Reuter per cent and petrol 25 per cent. need during this critical period. I reached a record 8.1m bales.

UK AGRICULTURE

Harvest guessing game

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

THE HARVEST guessing game this year has been curiously muted. Instead of the wild optimism of previous years, in which record crops were continually claimed, caution is the order of the day. This, I think, is only common sense. Last year's exaggerated estimates caused the exportation of 1m tonnes of British barley, which was badly needed at home. This not only cost the EEC £40m plus in export subsidies, but UK livestock farmers suffered a

massive, needless, increase in

feed costs

That said, it is worth looking at the current harvest situation in England and Wales. Such reporting being in the main a most subjective exercise. I will-start with my own farm. Here the profound pessimism of the late spring has given way to a good deal of quiet optimism. The crops suffered seriously from the frosts, and even at the end of May were showing empty, or almost empty spaces, where the plants seemed to be too retarded ever to grow at all.

But the heavy rain in June and the gradual warming up of the soil has worked wonders. Fields which had looked to be carrying no more than a twothirds crop have filled up in a miraculous manner. It seems as if the nitrogen we poured on had, at last, began to work.

to eatch up with the rest. This lot of money in sprays two or period over the next few weeks. was particularly evident with three years ago. It is ironical the two fields of winter barley, perhaps that the perfection and which were in danger of being ploughed up and resown. In the event, I decided not to, because the cost of the work and the unreliability of spring barley would have not made the exercise worthwhile. These fields now look very well indeed. The only problem is that

they will ripen unevenly. However, they are standing well and should not be vulnerable to bad weather: The change over from spring need a good dose of chemicals to winter-sown barley has been one of the most significant developments in British arable farming lately and it is certain that as the time goes on it will become the rule. The advantages are a higher yield in general, better establishment of the crop

barley in general is the length of straw, although this year it because is reasonably short. So too is delayed. the autumn-sown wheat, which in my case looks even better than last year, as indeed does the winter barley.

brome, which is difficult to con-

trol. and one or two other

weeds.

There have as yet been no What is called "compensatory visible signs of the fungus possible at this stage to define, that the market is kept short-growth" had sent these retarded diseases which used to plague After last year's experience I It never fails.

needed at all,

I don't know why this should be so; the garden for instance is smothered with aphids, which so far show no sign of attacking the wheat.

My 100 acres of spring barley looks quite well after a slow start but it was saved by the as mildew and rhynecosporium attacked it quite seriously. The generally poor showing of spring barley makes me more than ever determined to move the whole of my acreage over to autumn-sown crops where I

lier harvesting by some two to three weeks. There are some drawbacks, including sterile brome which is alternating yields is difficult. Thickness of the crop, or plant population, is far from being the only guide. the only guide. The determining factor is the size of grain. Last year's crop was good yeeds.

Another problem with winter thin, the grain had filled and very well, partly matured ripening was much

This particularly affected wheat because although the grain is now set in the ears, its maturity depends on conditions of heat and moisture, im-

plants into a determined effort us, nor of aphids which cost a would plump for a long, cool Winter barley could be the crop of the year. The grain is availability of the sprays have big and it is ripening off nicely. coincided with two years, this My spring barley at this stage and last, when they were hardly could be anything or nothing. although I have seen better stands with my neighbours.

From what I have seen over much of the south of England the grain crops on the lighter land are very good but where the land is heavier, as on Midlands clay, there is nothing like as much promise. But the crops are late and may catch up. The only certainty is that harvest will be much protracted, and little wheat will be ready to harvest until September, at least on my farm.

The rest of my farming has taken a turn for the better. Grass growth has been very good, and the sheep have done very well indeed. I have now heavier weights than I have ever done before. This, of course, was my due—the expense and misery of last winter was almost more than I could bear. Not everyone was as well favoured as I have been, and the price has been much higher than expected because of reduced supplies on the market. Here is a lesson for Mr. Peter Walker, the Minister of Agriculture, who is looking for ways to improve farmers' returns by

better marketing. Just see to it

London commodity centre plan stalled

BY OUR COMMODITIES EDITOR

PLANS FOR a World Commodity Centre in London apear to have been stalled by the and other international com-Government's refusal to provide financial assistance. It is understood that while Mr. John Nott, Secretary of State for Trade, has confirmed the Government's support for the idea, the Treasury has refused to make an exception to the general cut-back in Government expenditure.

It is feared that unless action is taken soon. London could be in danger of losing its present role as the main host for international commodity organisations. A crucial point could be shortly when the reached expected International Natural Rubber Agreement is concluded and a decision will have to be made where to base the secretariát.

If London is unable to offer at least the prospect of improved

conference facilities, it is feared that the rubber pact secretariat, modity organisations may be tempted to move to alternative centres, where they have been offered considerable inducements. This would seriously weaken

London's chance of becoming national commodity organisathe headquarters of the planned Common Commodities Buffer Stock Fund. The UK emphasised that a "self-Government apparently failed to financing" scheme without Government apparently failed to financing " make a formal application at the recent UNCTAD meeting in Manila to house the Common Fund, but is known to be keen floated is a possible Govern-to do so because of the poten-tial valuable "invisible" earn-loan, but the sponsors of the

Sir Horace Cutler, leader of Greater London Council, said cost of in February the GLC was pre-especially pared to contribute £250,000 rates. towards the proposed centre.

Mr. Julian Wathem, group vice-chairman of Barclays Bank. has also pledged to raise £3m from City institutions provided the Government makes a matching contribution. He is confident he can achieve the target because of the considerable financial benefits that the intertions bring.

resorting to Treasury funds should be sought. An alternative idea being

centre point out that this will do little to alleviate the high borrowing money especially at current interest

BRITISH COMMODITY MARKETS

Gold or Copper?

Gold has been rising for three years, en-

hancing its status as the number one

In contrast, Copper has fallen to a level

which is close to the average cost of world

Gold or Copper ... which has the better investment potential for the intermediate

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production.

BASE METALS

again as freer offerings of cash followed fresh arrivels in Europe. Turnover.

COPPER—Lower again on the London 1,845 tonnes.

rtal Exchange as a further rise in riting and the absence of any perform to buying saw forward metal cline from EBOO on the early prestlet to the day's low of £785. This rel attracted some support, however, d the price herdened a shade to use the lete Kerb at £788.5 (Linnover, 975 tonnes. + or p-m-— Unotificial a.m. £ . . £ . . £ . . £ 764-5 —21: 762.5-3-5 —18 . 787-5-8 —19 785-5-6 —15 765 —21 —

743.5 -21.5 744.5 -14.5 768.9 -20 767.5 -152 745 -21 -*84-87; Amalgameted Metal Trading reported

inflation hedge.

and longer term?

Same and the second

1987 العارب

437

TIN Official High Grade £ £ £ £ £ £ £ £ £ 3 months 6720-5 6720.40 -12.5 \$ ttlen t 6785 6720.40 -12.5 \$ ttlen t 6785

Morning: Standard: Cash E5,800; three months E5,680, 70, 80, 6,700, 10. Kerb: Standard: Three months E5,700, 10, 20, 30, 40. Alternoon: Standard: Cash E5,760; three months E6,730, 10, 20, 10, Kerb: Standard: Three months E6,710, 20, 10, 20, 25.

LEAD—Fell away malrly owing to the fresh advance by starling. Forward metal opened around £465 and edged up to £492 before coming under pressure and falling to £476 prior to closing the late Kerb at £480. Turnover, 10,225 tonnes.

LEAD Official (- , Unofficial (-

Cash...... 504-6 22.5 492-5 -24.5 3 months 487.5-8 + 192 478-9 -22 S'ment... 506 -22 U.s. Spot. - 58-62 TIM Marginally easier for forward U.S. Spot.

U.S. Spo

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Morning: Cash £317.5; three months £318. 20, 22, 24, 24.5. Kerb: Three months £325, 25. Alternoon: Three months £322, 21. Kerb: Three months £321, 22.

Morning: Three months £648, 47, 46, 47, 48, 47. Kerb: Three months £548. Attendon: Cash £548; early-Sept. £646; lame-Sept. £646; three morths £645, 44, 45, 45, 45, 46. Kerb: Three months £647, 48, 49, 50.

a.m. + or p.m. + or Official - Unofficial -

8 months 9695-595-12-5 2570-90 -2.5 Morning: Three months £2,610, 2,600, 05, 2,600. Afternoon: Three months £2,580, *Cents: per pound. † \$M per picul. † On previous qualificial close.

1ME—Tamover 365 (162) lots of 10,000 pzs. Marring: Cash 468.2. three months 422, 21.8, 21, 20.8, 20.5, 20.7, 20.5. Kerbs: Three months 420. Afternoon: Three months 477, 16.8, 17, 7.5, 7.8, 16, 15.5, 5.8, 5.7, 5.8. Kerbs: Three months 416, 6.5, 16, 15.8, 5.7, 16, 6.3, 8.5, 8.7 16, 6.3, 6.5, 8.2

Cocce futures remained steady in quiet trading conditions, testing initially against a stronger sterling before steadying again on Commission House about covering, reported Gill and Duffus.

Yestordy's + or Business
Gloss - Bone COCOA

international Codes Organization (U.S. cents per pound): Daily once lely 18 148.39 (148.07): Indicator prices for July 19: 15-day everage (152.27): 22-day everage (152.27): 153.18 /153.63).

active trade and Commission House buying tuelled steadier values, and for the rest of the morning prices consolidated just below the previous close, reported Drevel Burnham Lambert. Afternoon trading was more hectic as fresh frost fears in Brazil abounded mithe market and an active closing call saw values finish on a very stea note, £12 to £87 up on the day.

COFFEE	Close	+ 01	Business Done
	£ per tonne		
July	1911-12 1911-14 1887-91 1876-80	+ 46.0 + 45.5 + 52.0 + 83.5	1860-1825 1920-7849 1915-1845 1914-1848 1894-1805 1890-1805 1835
July	1840-60	+67.5	1855

Sales: 8.250 (11.396).
ICS indicator prices for July 18 (U.S. cents per pound): Other Mild Arabicas 203.0 (201.33). Robustas ICA 1976 195.0 (194.0). ICA 1968 190.25 (194.25). Colombian Mild Arabicas 210 0 (209.0). Unwashed Arabicas 202.0 (204.0). Comp. daily ICA 1968 201.58 (201.14).

pressure than the deferred rebouted yeir

EEC IMPORT LEVIES The following lavies and premiums are effective for July 20 in order current levy plus Aug., Sept. and Oct, premiums, with previous

COTTON

LIVERPOOL—Spor and shipment sales amounted to 759 tonnes, bringing the total for the week so far, to 1,762 tonnes. Substantial demand developed with considerable interest in different styles. Users were anxious to increase their commitment and bought large quantities of North and South American

RUBBER

The London physical market opened slightly steadier. Little interest at higher levels, closing dull. Lewis and of 290 (287.0) cents a kilo (buyer, August).

	Close		
Aug	59.90-58.05	58.00-58.75	68. 6 5
Sept	59.25-60.10	59.50-60.25	_
Oct-Dec	61.90-62.85	81.80-61.90	62,50.61.9
Jan-Mar		64.6D-84.70	65,40-64.7
421 (04	67.20-67.25	20 30 80 93	E7 RS.RE 9
AprJile	69.45-89.60	BG 10 BG 3B.	7R DO 69 6
Jiy. Sept	93.40-00-00	71 48 71 45	75.00-03.0
Oct- Dec	71.75-71.90	11,40-11.40	12.23-11.0
Jan-Mar	74.80-74.15	75,00-74.15	74.55
Apr-Jne	76.45-76.50	76,85-76.16	76.80-76.4
Sales: 6 at 5 t	506 · (451)	at 15 to	onnes an

Physical closing prices (buyer) were: Spot 57.0p (58.0p); Aug. 63.25p (63.0p); Sept. 63.50p (63.25p). SOYABEAN MEAL Yest rd'y + or Business Close — Done

Sales: 189 (96). SUGAR .

LONDON DAILY PRICE (raw sugar): £98.0 (£99.0) a tonne of for July-Sept. shipment. White sugar daily price was Prices declined some 50 points in moderate trading conditions, reported C. Czarnikow.

104 20 04 25 184 25 84 35 104 75 04 00 106 20 08 25 108 48 06 45 106 55 06 10 110 36 10 35 110 35 10 35 110 75 10 10 117 15 17 26 117 25 17 40 117 75 17 86 119 95 29 10 120 00 20 20 120 55 20 80 Aug. ... 123.85-24.26 124.09-24.50 124.59-24.25 Oct. 127.08-27.50 127.50-28.50 128.00-27.25

Sales: 2, 149 (3.070) lots of 50 tonnes. Tate and Lyle ex-refinery price for granulated basis white sugar was £297.55 (same) a tonne for home trade and £195.50 (£177.50) for export. International Sugar Agreement (U.S. cants per pound fob and stowed Caribbean port). Prices for July 18: Delity price 8.63 (8.81): 15-day average 8.64 (8.62). WHITE SUGAR—Close (in order. buyer, seller, business, sales). Sept. 98.00, 98.25-97.85, 112: Nov. 102.30, 102.75, 102.75-102.50, 202: Feb. 11.50, 111.75, 112.00, 200; April 115.00, 116.25, 116.50, 2; July 120.00, 120.25, nit, nit; Sept. 123.00, 128.00, nit, nit. Nov. 126.00, 130.00, nit, nit. Seles: 515.

WOOL FUTURES

SYDNEY GREASY—Close (in order buyer, sellor, business, sales). Micron contract: July 495.0, 406.0, 406.0, 406.0-404.0, 6: Oct. 403.0, 403.5, 403.0-401.5, 29: Dec. 408.0, 488.5, 408.5, 408.0, 27: Merch 418.0, 417.0, 417.0-415.0, 30; May 418.0, 419.0, 419.0, 417.0-415.0, 30; May 420.8, 421.0-420.0, 11; Oct. 422.0, 423.0, 423.0-420.0, 14: Dec. 423.0, 425.0, 423.0-420.0, 14: Dec. 423.0, 425.0, 422.6-422.5, 11. Seles 143.

LONDON—Close (in order: buyer, seller only). July 218.0, 228.0; Oct. 218.0, 238.0; March/May/July/Oct./Dec. all 228.0, 238.0. MEW ZEALAND CROSSBREDS—Close (in order: buyer, seller only). July 162.0, 178.0; Oct. 175.0, 184.0; March 181.0, 182.0; May/July/Oct./Dec. all 182.0, 192.0.

MEAT/VEGETABLES MEAT COMMISSION—Average latstock prices at representative markets
on July 18. GB cattle 82.47p per kg.
l.w. (-2.53); UK sheep 142.1p per
kg. 8t.d.c.w. (-9.9); GB pigs 60.4p
per kg. l.w. (-1.1). England and
Wales: Cattle numbers up 1.4 per cent,
average price 81.28p (-3.04); Sheep
numbers up 12.2 per cent, average
price 142.0p (-10.0); Pig numbers
down 3.0 per cent, average price 60.4p
(-1.1. Scotland: Cattle numbers down In tonnes unless otherwise stated.

luminium£710/50£710/50 Free Mkt (es) \$1490/1518 \$1,555/75

-167.5 £7.587.1 -11.5 £7.102. Wolfrm 22.84 elt | \$136:143 . \$145/51 Zinc cash £313.25 3 months £391,5 Producers ... #845 -1.25 £359 +1 £371.75 \$845 nut (Phil), £1,135: -5 \$1.066: Groundnut...... Linseed Crude, £395 —10 £389 Palm Malayan, \$6841 —6 \$660p

Grains
Barley Futures 291.70 +0.4 £92.15 rench No 3 Am £107

sodițies +4 £1,736 +4 £1,645 +46 £1,960.5 -9.25 76.80c +1.0 65.75b

Nominal. † New crop. † Unquoted in tonnes, unless otherwise stated. p August. s July-Aug. t Sept. w Sept.-Oct. x Oct. y Nov. z Indicator. § Buyer.

Pearmain 2.80-3.00, Starking 4.50, Yorks 5.30-6.00, Golden Delicious 5.00-5.80; New Zealand: Red Dougherry 7.40-7.60, Granny Smith 7.20-7.50, Sturmers 6.00-6.20, Delicious 6.20; Tasmanian: Jonathans 5.60, Sturmer Pippins 5.40-5.80, Crotton 6.70-7.00, Granny Smith 5.80-8.00; Victorian: Granny Smith 5.80-8.00; Victorian: Granny Smith 7.00; French: Golden Delicious 72's 2.40-2.50, 84's 2.00-2.20, jumble pack per pound 0.06-0.08; Italian; Rome Beauty 0.09, Democrate per pound 0.09 Pears—Victorian: Winter Neiis 5.00-5.30; Spanish: Limoneras 0.18; French: Guyots 28 lb 4.40, Plums—Spanish: Guyots 28 lb 4.40, Plums—Spanish: Santa Rosa 2.00-3.00, Gaviotes 2.60-2.50, Burbanks 2.00-2.50; Italian: Florentias per pound 0.13. Grapse—Cyprus: Cerdinal per pound 0.25. Sultanal/Taempson 0.25-0.30, Peaches—Italian: 15; trays C's 1.50-1.80, B's 2.00-2.40, A's 3.00-3.20; French: C/B's 160-1.80, Nectarines—Italian D/A's 4.00-7.00. Apricests—Spanish: 3.00-1.00 Banshas—Spanish: 3.00-1.00 Banshas—B

Per 26 lb 3.80. Avocados—S. African 3.820-4.00. Melons—Spanish: Sma trays, green 2.80, Yellow Honsydes

However, Mr. Nott has so far

The international commodity

any new centre, but would expect the "host" Government to contribute towards the provision of conference facilities. It is estimated that a suitable building would cost about £15m, but that £9m could be raised channels

London, have said they are

prepared to pay proper rents for

Uganda cotton

By Michael Holman

organisations,

KAMPALA-Ugandan cotton production in 1978-79 will fall to between 50,000-60,000 bales compared with the 1969-70 peak of 467,000 bales, Mr. F. Nyendwoha, general manager of the Uganda Lint Marketing Board.

AMERICAN MARKETS

NEW YORK, July 19.

GRAIN MARKETS and the soyu-complex came under pressure because ol easier prices in the corn and profit taking in precious metals, especially silver. Gold July 201.0. Sept. 201 3 bid, Nov. 199 5 rallies have been modest, and the market continues on the delensive Minor losses in Copper resulted from uncertainties about the course of the economy. Coffee was up the limit on further trost warnings in Brazil, while cocoa is mixed over a very narrow range. Suger is basically steady to slightly higher. Cotton responded on the upside due to additional trade buying. The livestock complex was mixed on reports of generally poor product movement. Heinold reported.

Coffee—July 210-58 (203 (9) Sept.

Tin—709.0-725.0 asked (710.0-725.0)

Lard—Chicago loose 26.0 (25.75).

New York prime steam 27.50.

Live Cartle—Aug. 56.60-66.70 (67.12-68.65).

Dec. 65.35-65.60. Jan. 67.55 asked. Feb. 65.00-68.10. April 70.17-77.00. June 71.85. Aug. 70.52, Oct. 70.25 asked. Dec. 71.42 bid. Sales. 23.735

Live Hoge—July 40.30-40.40 (29.97-40.35). Aug. 36.75-36.95. (36.22-36.85).

Oct. 33.90-33.80. Dec. 34.85-24.92. Feb. 36.97-38.80. April 38.75-36.65. June 40.40. July 41.30. Aug. 38.55. Sales. CHICAGO, July 19
Lard—Chicago loose 25.0 (25.75).

New York prime steam 27.50.
Live Cattle—Aug. 86.60-86.70 (67.12-68.65), Oct. 63.90-84.00 (64.25-63.95), Dec. 65.35-86.60, Jan. 87.55 asted. Feb. 68.00-88.10. April 70.17-77.00. June 71.85, Aug. 70.52, Oct. 70.25 asked, Dec. 71.42 bid. Sales; 23.735
Live Hogs—July 40.30-40.40 (29.97-40.35), Aug. 36.75-36.85, June 19.40-30.380, Dec. 34.85-24.92, Feb. 36.97-38.80, April 36.75-36.65, June 19.40-40, July 41.30, Aug. 38.55. Sales. 57.35.

11Maize—July 3097, (316%), Sept. 58.5 per 1.000 sq. leat. † Cents per 3094-3104, (317), Dec. 314-3144, March

| Sept. 66.70, Oct. 58.00 bid, Nov. 62.45 bid, nov. fig. The livestock complex was mixed on reports of generally poor groduct movement. Heinold reported. | Coffees—July 210.58, (203.08), Sept. 60.70, Oct. 58.00 bid, Jan. 61.50 nom. Dec. 64.20 bid, Jan. 61.50 nom. Dec. 62.45 bid, Jan. 61.50 nom. Dec. 62.45 bid, Jan. 61.50 nom. Dec. 62.45 bid, Jan. 61.50 nom. Dec. 62.40 bid, Jan. 61.50 nom. Dec. 62.40 bid, Jan. 62.40 bid, Jan. 61.50 nom. Dec. 62.40 bid, Jan. 6

EUROPEAN MARKETS

ROTTERDAM, July 19
Wheat—U.S. No. 2 Dark Hard Winter wheat, 13.5 per cent, Aug. S207. U.S. S1175, Aug. S313, mid-Aug. mid-Sept. S315.50 selfers, Suyameal—44 por cent protein, U.S. No. 2 Red Winter wheat spot 5195. Aug. S198, Sept. \$199.50. U.S. No. 2 Northern Spring wheat, 14 per cent. July \$205.50, Aug. \$204. Sept. \$266. Oct. \$208, Nov. \$210. Maize—U.S. No. 2 Corn Yellow July \$154.40 traded, all \$155, July \$155. Aug. \$156. Sept. \$157.50. Oct./Dec. \$161.25, Jan./Meirck \$168 sellers. Soyameal—44 por cent protein, U.S. March \$262. Brazil Pellets atrived \$246, all \$248. July \$258. Aug. \$258. Sept. \$158. Sept. \$157.50. Oct./Dec. \$161.25, Jan./Meirck \$168 sellers. Soyameal—44 por cent protein, U.S. March \$262. Brazil Pellets atrived \$246, all \$248. July \$258. Aug. \$258. Sept. \$182. Oct. \$268, Nov. \$271. Oct. \$268, Nov. \$271. Oct. \$268, Nov. \$271. Oct. \$268, Nov. \$271. Oct. \$161.25, Jan./Meirck \$168 sellers. Soyameal—44 por cent protein, U.S. March \$262. Brazil Pellets atrived \$246, all \$248. July \$258. Aug. \$258. Sept. \$182. Oct. \$268, Nov. \$271. Oct. \$268, Nov. \$271

DOW JONES

Spot ... 408.67 409.55 417.96 353.98 F tur's 422.42 422 22 450.40 337.88

(Average 1924-25-26=100)

REUTERS

July July Month Year 18 17 ago ago

FINANCIAL TIMES

July 18 July 17 M nth ago Year ago 285.88 287.06 300.55 236.10 (Base: July 1, 1952=100)

July 19 July 18 M'nth ago Year ago 1554.71561.4 1632.7 1419.6 (Base: September 18, 1931 = 100)

10 kg 5/11's 2.20-3.30. Water-melons—Spanish/Greek: Per box 4/6's 2.00-2.50. Onions—Spanish. 4.80-5.80. Maitese: 5.00-5.50. Tomatoes—Jersey: Per tray 1.80-2.00: Duich: 2.20; Guerasay: 2.00-2.50. Cabbages—Dutch: Whns. net 6.00-6.80. Potatoes—Cyprus: 3.60: Jarsey: Per pound 0.067-0.07. Capsicums—Dutch 2.50. English produces Potatoes—New Cooper hag 2.10-2.30. Lettuce—Per 12 round 1.40-1.50. Cog 1.50. 1/26b s 1.40. Mushrooms—Per pound 0.50-0.63. Rhuberb—Per pound 0.00-0.04. Tomatoes—Per 12 ib 1.80-2.00. Cucum-

bers—Trays 8/18's 1 00-1.50, pre-pack 2.00-2.20. Cauliflowers—12's Lincoln 2.00-2.00. Calery—Bores 12/30's 1.50-1.50, large bores 20/24's 2.70-2.80. Strawbernes—Per 1; lb 0.15-0.25. Gooseberries—Per pound 0.18, Levellers 0.20-0.25. Cherries—Per pound 0.25-0.45. Peas—Per pound 0.07. Onions—Per bag 5.00-5.50. Carrots—Per bunch 0.08, per beg 1.50-1.80. Beetroot —Fer bag 2.20-2.20. Marrows—Per 15's 1.30-1.40. Raspberries—Per 1, lb 0.10-0.12. Block-Red currants—Per 1; lb 0.20-0.25. Capsicums—Per pound 1.50-0.12. Block-Red currants—Per pound 1.50-0.12. Block-Red 1.50-0.12. Block-- ib 0.20-0.25. Capsicums—Per pound

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TRAVEL GENEVA, Basic Zurich and Berne, Widest Tappe of these Sights from 6 UK airports. Broching CPT LTD. 01-251 2191. Telex 919078. ATOL 3595. Afternoon: Three months £488, 85, 83, 82, 81, 80, 81, 82, 81, 80, 79, 78, Kerb: Three months £478, 79, 80, 81 ZINC-Basely changed in quiet trading with forward marks. on the late Kerb after extremes of £319 and £326. Turnover, 2,925 tonnes.

a.m. Officiai

NICKE Barely, changed in quiet and routine. Irading with forward material health quoted at 22,575 on the late Karb. Throover, 90 tonnes.

Silver was fixed 8.85p an ounce lower for spot delivery in the London bullion market yeaterday at 408.8p. U.S. cent equivalents of the fixing levels were: Spot 935.2c, down 21.2c; three-month 956.6c; down 21.1c; six-month 976.1c, down-23.2c; and 12-month 1010.30c, down-23.2c; and 12-month 1010.30c, down-23.0c; The metal opened at 408.40p. 933-935c) and closed at 404.3-405.3p (830-932c).

SILVER Bullion + or LM.E. + or per Dong - close -

COCOA

1522-1565 +7.0 1574-381596-1600 +11.0 1600-15761615-1625 +8.5 1503-01 July Seles: 8,550 (3,342).

Robustas initially opened up to £32 own on the opening call but fairly

GRAINS The market found psychological buyers at 87.00 basis September barley and values. After opening unchanged, moved up to 40 higher in non-existent volume. Barley was much better patronised than wheat with the nearbys

WHEAT Yesterd'ys +or Yesterdys +or h close — close — Sept. 91.45 +0.15 87.55 Nov. 95.55 -0.16 91.70 Jan 99.85 +0.15 95.75 Mar. 103.15 +0.3 99.10 May 106.60 +0.25 102.30

May. 105.15 + 0.3 99.10 + 0.4
May. 106.60 + 0.25 102.50 + 0.35
Business done—Wheat: Sept. 91.4591.30. Nov. 95.55-95.50. Jan. 99.5599.55. March 102.95-103.20. May
untraded Sales: 29. Barley: Sept.
87.55-87.30. Nov. 91.70-91.45. Jan.
95.75-95.50. March 98.85-98.95. May
untraded. Sales: 80.
HGCA—Location ex-ferm spot prices.
Feed barley: N. Lincoln 86.30. Hants
and W. Sussex 85.10.
The UK monatery coefficient for the
week beginning July 23 will remain
unchanged.
(2.000 lbs). § SCan. per metric ton.
IMPORTED—Winest: CWRS No. 1. 134per. cent. unquoted. U.S. Derk
Northern Spring No. 2, 14 per cent,
July 97.75. Aug. 98, Sept. 93.50,
transhipment East Coast. U.S. Hard
Winter, 134- per cent, Aug. 98.75,
transhipment East Coast. U.S. Hard
Winter, 134- per cent, Aug. 98.75,
transhipment East Coast. U.S. Hard
Winter, 134- per cent, Aug. 98.75,
transhipment East Coast. U.S. Hard
Winter, 135- per cent, Aug. 98.75,
Yallow Aug. 82 mominal. Barley:
English Feed lob Aug. 83, South Coast,
Sept. 93.75, South Coast, Oct. Dec.
92.50 to 93, East Coast, Jan. March
Sect. 8490RT LEVIES—The following

July 20 in order current levy plus Aug., Sept. and Oct. premiums, with previous in brackets. All in units of ecocurrent tonne. Common wheat: 78.01, 0.73, 0.73, all (78.01, rest nil); Durum wheat: 120.87, rest nil (75.80, rest nil); Rye: 63.73, rest nil (75.80, rest nil); Backey: 71.54, rest nil (75.80, rest nil); Backey: 71.54, rest nil (88.77, rest nil); Oats: 85.87, rest nil (88.77, rest nil); Maize (other then hybrid for seeding): 79.46, rest nil (79.46, rest nil); Buckewheat: 3.34, rest nil (54.31, rest nil); Anillet: \$5.09, rest nil (54.31, rest nil); Grain sorghum: 76.20, nil, nil, 0.73 (76.20, nil, nil, 1.46): Flour levies: Wheat or mixed wheat and rye flour: 124.21 (123.47); Rye flour: 104.00 (172.29).

PRICE CHANGES

Platin mtr'y oz £165.0 £171 Free mkt..... £178.9 --3.55 £203.10 Quicksii ver.... \$295/815 --15 .\$345/55 Silver troy oz ... 408.80p --8.85 401.05p 3 menths.... 421.00p --9.86 412.85p

Seeds Copre Philip.... \$740× Soyabean (U.S.) \$338.15:

6.3 per cent, average price 35.95p (~1.27).

SMITHFIELD.—Pence per pound. Beef: Scottish killed sides 85.0 to 70.0; Eirs hindquarters 80.083.0; forequarters 39.0 to 43.0. Vsat; Dutch hinds and ends 90.0 to 98.0. Lamb: English small 60.0 to 64.0, medium 58.0 to 62.0; Imported trozen. New Zealand Pl. 49.5 to 51.0, PM 49.0 to 50.0. Pork: English, under 100 ib 35.0 to 44.0, 100-120 ib 35.0 to 43.0, 120-180 ibs 35.0 to 41.0.

COVENT GARDEN.—Prices in sterling per package except where otherwise COVENT GARDEN-Prices in starting per package except where otherwise stated: Imported produce: Oranges—S. African: Navels 4.60-6.30: Brazilian: 5.00-5.40: Celifornian: 7.20-7.40. Lemons—Italian: 100/120's 5.80-5.90: Spania. Trays 30/40/45 2.50-2.80: Gappefruit—Jaffe: Summer crop 4.00-4.80; S. African: 32/84 3.60-5.10; Jamaican: 27/56's 4.20-8.00. Apples—S. African: Grancy Smith 8.40-6.90. White: Minter Pearmain 2.80-3.00. Starking 4.50, Yorks 5.30-6.00, Golden Delicious, 5.00. 5.80: New Zesland: Red Dougherry

INDICES

. MOODY'S July 18 July 17 M nth ago Year ago 1083.4 1085.6 1098.0 908.1 (December 31, 1931 = 100)

Per Pound outdoor 0 04. S—Per 12 lb 1.80-2.00. Cucum-

July July July Ayea 17 16 13 12 890

Money supply figures signal late rally in Gilts and equities—Exchange control moves hit Continentals

Option First Declara- Last Account Dealings tions Dealings Day July 2 July 12 July 13 July 24 July 16 July 26 July 27 Aug. 6 July 36 . Aug. 9 Ang. 10 Aug. 20 "New time" dealings may take place from 9.30 am two business days

Government stocks at the outset yesterday developed further the reactionary mond which appeared late on Wednesday to give the first sign that the market was perhaps looking over-bought following heavy overseas and domestic investment. The fresh upsurge in sterling failed to stem a decline in Gilts motivated by profit-taking on both institutional and public account until after the official close of trade.

neonraging American demand. SE conversion factor was 0.9008 The shorts however, remained (0.9294). out of fashion and, after a light Busines half a point

A slackening of the recent growth: also prompted a raily on Tuesday. Among the more from lower morning values of leading shares, although the level of business remained extremely disappointing. An initial exten-

4.9 down at 11 am and for most of the afternoon the pace of index only 0.1 off on the day at 479.1.

The liberation of European stocks from the investment currency premium for UK investors brought another sharp reaction in shares such as Philips' Lamp and Unilever NV, while many other Continental issues were heavily hit. South African Gold shares suffered a setback partly inspired by the lower currency premium and partly by Contipental selling in the wake of the bullion price reaction.

While considering the further Losses had earlier stretched to easing of exchange control regureduced following the June market experienced a good trade money supply figures and were then completely regained as the bulk of medium and longer-dated issues reverted to overnight list levels. Late conditions were down at the latter rate, which reducing a part if the pressure of the control of the pressure of the p volatile and it was assumed that represents an effective rate of sterling's late strength was about 6 per cent. Yesterday's

Business in Traded options trade; showed falls ranging to again reverted to an extremely half a point; low level with a total of 242 contracts completed, as opposed increase in the rate of money to 577 on Wednesday and 387

222p

LONDON TRADED OPTIONS

had seen the FT 30-share index the worse in the wake of the Government's urther relaxation of exchange controls. Falls of the recovery was slow. The between 43 and 54 points were tempo increased noticeably after recorded in Algemene, 573, 330 pm. however, and left the pentsche, 566, and Compagnie index only 0.1 off on the day Bancaire, 543, while Commerzing

bank fell 40 to 950p and Credit France dipped 2 points to £15. Home issues continued easier on profit-taking in front of today's announcement of Lloyds interim results; the latter ended 3 off at 332p, after 330p, while Barclays lost 8 to 470p and Mid-land, 365p, and NatWest, 35Sp. relinquished 5 apiece. Hambros firmed 4 to 316p among merchant banks but Wintrust cheapened a penny to 94p, the latter's excellent results having been dis-

Following a quiet session, Insurances closed easier for choice. London United, 132p. and Royals, 332p. lost 6 and 5 and Mayais, 552p. lost 6 and 5 respectively among Composites. Eisewhere. Stenhouse moved against the trend with an improvement of 3 to 75p.

Distillers, announcing pre-liminary results, dominated the drinks sector; the group's profits were at the lower end of market expectations but satisaction with the dividend helped the shares to rise 7 to 227p. In sympathy. Highland rose 3 to 97p, with the nil-paid 2 up at 9p premium. Sandeman shrugged off Wednesday's downturn, buyers returning to lift the shares 3 at 85p. Breweries traded quietly although some selective interest was shown in the late business. Belhaven added 2 to 50p in front of the annual statement, ducsoon; ex-chairman Gordon Currie is rumoured to have disposed of his near-10 per cent bolding in

the company.

Most Buildings drifted down on small selling and lack of interest. Recent bid favourite Malliuson-Denny eased 3 to 65p, while Magnet and Southerns, particularly firm of late on the excellent annual profits. also shed 3, to 195p. Parker Timber, however, continued to attract interest and added 2 more to 182p. A dull market of late on the potential rights issue to finance its latest acquisition. Ibstock Johnsen rallied 3 to 79p. Awaiting news of the unnual general meeting. Burnell and Hallamshire improved 10 to 415p. but Beniex held at 25p following the annual results.

Reflecting the firmer tendency that developed among blue chips after hours. ICI ended 3 dearer at 334p while Fisons rallied to 257p, unchanged on balance, after 250p. Elsewhere, Alginate firmed

10 to 380p pending the outcome of the Monopolies Commission's of the Monopolies Commission's Unigate added a penny more to the acquisition of Weish Ford report due next week on the 95p, still buoyed by the deal dealers R. J. Bown for £1.7m, respective bids from Merck with the Milk Marketing Board. while Heron eased 14 to 52p; still respective bids from Merck

Gussies good

Although record preliminary profits from Gussies had been anticipated the shares responded with a fresh rise of 8 to 384p for a gain on the week so far of 24. Other Store leaders closed slightly easier, however, with Marks and Spencer, 115p, and UDS, 99p, both a penny down. Elsewhere, after initially touching 166p on profit-taking following comment on the results and proposed 100 per cent scrip issue.

MFI Furniture picked up to finish 2 better on balance at 172p. Ernesi Jones Jewellers firmed 4 to 242p but Freemans declined that much to 158p and Empire lost 6 to 180p. Recently firm on an investment recom-mendation, R. and J. Pullmann gave up 4 to 104p. Continuing to respond to favourable com-ment about the group's property assets, Stylo Shoes hardened 2

for a two-day rise of 12 to 161p. Philips Lamp, down 46 at 535p, reflected the relaxation in exchange control regulations for most European shares. Else-where in the Electrical sector. Electrocomponents encountered sporadic selling and gave up 7 to 443p, but satisfactory halfyearly results prompted a gain of a penny to 27p in Clifford and Snell. Among the leaders. GEC drifted off to 357p before closing only a penny cheaper on balance at 360p.

With the exception of John Brown, which finished 6 cheaper at 461p, leading Engineerings without alteration after ended showing small losses at one stage. Elsewhere, occasional movements were mainly against holders. Jenks and Cattell reacted 5 to 80p in the late dealings on news that the offer from Armstrong Equipment had been lapsed. The sharp fall in the annual figures left Braham Miller 2 cheaper at 32p, while Habit Precision gave up a similar amount to 26p on the lower interim profits. Averys selling and similar falls were marked against Matthew Hall, 200p, and Molins, 134p. Comment on the half-yearly results prompted a fall of a penny to 5 p in Birmid Qualcast, while F. H. Tomkins eased a penny to 18p following the preliminary

In marked contrast to Wednesday's good level of trade. Foods passed a rather quiet session. lapsed. Among barely-tested and dropped £2 to £25, while Recently firm Associated Dairies Distributors. Wadham-Stringer losses of a point and more were

influences left Barrow Milling 6 down at 50m.

Ladbroke shed a couple of pence more to 172p before a late rally lifted the price to 177p for a net gain of 3. News that and Commonwealth Shipping had increased its stake in the company failed to stimulate interest in Savoy "A" which eased a penny to 106p.

Negretti slump

In the wake of the further relaxation in exchange controls, on Wednesday on the sale of two Unilever NV fell a point to £171, German subsidiaries, Samuel shed 3 to 125p. Lynton put on while Unilever which had fallen 38 on Wednesday following switching into the NV. softened 4 more to 492p, after 490p. Other 4 to 160p awaiting today's annual miscellaneous Industrial leaders plotted an irregular course in thin trading. Turner and Newall dipped 4 to a 1979 low of 124p and Recklit and Colman, on fresh concern about its overseas earnings potential in the light of sterling's recent strength, cheapened 6 to 407p. After Wednesday's fall of 9, however, Beecham, edged forward 5 to 540p, while BOC hardened a fraction to 74p. Secondary issues were featured by a fall of 14 to 45p in Negretti and Zambra following the cut in the dividend and the halved interim profits. The Boardroom rift concerning Mr. Laurie Marsh unsettled Associated Communications "A" which reacted 4 to 130p, while Wedgwood lost 7 more to 75p on further consideration of the chairman's warning about the adverse effects on profits exerted by sterling's strength. St. Gobain declined 2 points to £12 on the abolition of UK exchange controls for most European issues, while Hanson Trust remained

J. Bibby 20 to 425p. Company announcements attracted the bulk of interest among Motor and kindred issues. Dowty improved 15 to 315p following the 100 per cent scrip and large dividend increase together with annual profits in line with market expectations. Armstrong Equipment, however, eased 1! to 59!p; the company's offer for Jenks and Cattell has

friendless at 105p, down 5, with the New Nil-Paid a further 6

off at 54p, after 50p. Against the trend, a combination of re-

vived takenver speculation and

demand ahead of the interim

results due on August 10 lifted

put on a penny to Sap following the acquisition of Welsh Ford incorporated and FMC Corpora- Spillers found late support and reflecting Tuesday's animal reimproved 2 to 44p, but currency sults. Poor figures from Fodens came as no surprise and, follow ing the company's conabout current trading, the shares met small buying to close at the overnight level of 47p, after 45p. profits and property revaluation; Haslemere Estates met selling and shed 12 to 308p. By contrast, Alinatt (London) firmed 7 to 337p in response to the amount results and proposed 100 per cent-scrip issue. Other Properties tended easier at first, but steadied at the lower levels fol-lowing a small trade. Up 6

Oil leaders rally Inclined easier at the opening Oil leaders rallied in the later on leaders railled in the later trade and quotations closed better on balance. British Petroleum finished 10 to the good at 1,220p, after 1,205p, and Shell closed 8 higher at 338p. Among secondary issues, Aran Energy featured with a rise of 20 to. 95p on demand in an extremely difficult market.

Losses were fairly widespread throughout the Trust sector but Erskine House became a good market at 47p, up 51, in Finan-cials on news that National Car Parks had acquired a 9.6 per cent

stake in the company.

The majority of Shipping shares recovered from an initial bout of profit-taking, Furness Withy closing only 2 cheaper at 294p, after 288p and Hunting Gibson ending 2 dearer at 287p, after 280p. Reardon Smith closed 5 to the good at 150p with the "A" 3 firmer at 88p. P. and O. Deferred, however, ended with a loss of 24 at 102p.

Golds under pressure

A downturn in the builion price and a further fall in the nvestment currency premium brought heavy pressure on South African Golds. The Gold Mines index fell 9.7 to 1613 and the ex-premium index 13.6 to 1453. Persistent Continental selling in the morning prompted only modest losses but the market

came under fairly heavy Ameri-

EQUITY GROUPS

can selling in the afternoon and prices fell sharply to close at Among the heavyweights Randfontein were particularly weak and dropped £2 to £25, while

75.57 75.03 72.44 72.54 72.90 70.70 73,48 74 72 74 25 78.95 74.21 74.66 71.87 74.72 Fixed Interest 471.9 472.0 478.0 470.77 466.6 468.8 470.4 161.3 171.0 171.7 160.6 150.8 165.4 170.7 146.3 158.9 154.5 146.6 146.1 148.5 112.1 Gold Mines(Ex-F pm) 6.70 6.71 6.60 6.67 6.73 6.70 5.64 Ord. Div. Yield 16.91 16.63 16.78 16.92 16.81 17.14 Earnings, Yld- 🖫 ((uil) 🗎 15.87 7.44 7.56 7.54 7.48 7.58 7.79 P/E Ratio (net) (*). 7.46 15,859 17,615 17,012 14,597 16,770 15,075 Total bargains 85.69 76.27 55.12 89.28 57.80 75.77 Equity turnover £m 12,005 12,475 10,927 12,545 11,576 15,920 Equity bargains total 10 am 468.8. 11 am 467.1. Noon 467.2. 1 pm 467.7. 2 pm 468.0. 3 pm 468.1. Labest Index 01-248 8028. Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex-S premium index started June. 1972. SE Activity, July-Dec. 1942.

FINANCIAL TIMES STOCK INDICES

HIGHS AND LOWS S.E. ACTIVITY July July 19 18 High | Low 49/18 127.4 150.4 50:53 (28/11/47) (R1476) 558.5 49.4 (4/5/79) (28/6/40) Ind.Ord.. 129.9 442.3 48.5 (17/4) (22/6/75) (26/76/71)

357.1 54.5 (3/4/74) (25/8 78)

seen in West Driefoutein, £22, and Vazi Reefs, £15§, the latter in front of the increased inferim diivdend which was announced

after hours.

95<u>.2</u> (2/11)

In the medium- and lowerpriced issues Western Deep lost priced issues western beep lost.

83 to 794p. also in rout of its
interim dividend declaration,
while Kloof gave up 48 to 633p
and Stilfentein 23 to 335p.
U.S. selling also caused widespread losses in South Arican Financials where "Amgold" fell £1; to £17;. Anglo American and Union Corporation were 8

lower at 329p and 326p respec-

tively, while "Amenai" slipped another 50 to 825p owing to the weakness of Colle and the early duliness in UK equities. Rio Tinto Zinc lost 8 to 250p and Gold Fields 5 to

Australians showed change with the firmer frend in overnight domestic markets off setting the lower preming Hampton Areas slipped 5 to 20 after the recent strong rise which followed rejection of Colonia nickel royalties

RISES AND FALLS

NEW HIGHS AND LOWS FOR 1979

NEW HIGHS (16)

COM WEALTH & AFRICAN LOANS (1)
N.Z. 65C 78-80
BUILDINGS (2)
Brown & Jackson Burnett Hagamohire
CHEMICALS (1)
Alginate Inde

Warner Holidays
INDUSTRIALS (1)
Western Board Mills
PAPER & PRINTING (1)
Wyatt (Woodrow) Wyatt (Woodrow)
SHIPFING (2)
Reardon Smith Reardon Smith A SHOES (1) London & Liverpool Ersidne House NEW LOWS (167)

YESTERDAY dustriais nancial a Prop. INTERNATIONAL BANK (1) CORPORATION LOANS (1) LOANS (1) AMERICANS (45) CANADIANS (10) BANKS (8)

Dutch double tourist aid

THE HAGUE-The Dutch continue to be available until Government yesterday an- at least 1984. nounced a doubling of its subsidy to the tourist industry to larly disturbed that Dutch THE HALDANE SOCIETY of try's balance of payments.

Last year. Dutch tourists 4.65bn spent FI (£1.03bn) more than foreign visitors; spent in the Netherlands. This deficit from tourism is more than twice the officially expected Dutch current account deficit for this year.

Mr. Theo Hazekamp, state secretary in the Economics Ministry, said Government aid to tourism would rise in 1980 to FI 48.3m (about £12m) from Fl 23.3m (£5m) this year.

The money would be used for greater promotion abroad of centre, and to improve the quality: of accommodation and services. Increased cash would

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The Government was particue from dropped in the past two years, while tourism was growing at an annual average rate of 10 per cent in the rest of the world. Mr. Hazekamp added.

Lace makers new factory THE BIRKIN GROUP of Nottingham, one of the oldest lace today opening a £1m headquarters for its knitted lace division

at a purpose-built factory in Borrowash. Derbyshire. The company sells abroad almost half its production of £5m worm of lace a year.

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Lawvers attack McNee call for greater powers

by Sir David McNee, Metro-politan Police Commissioner, would be a recipe for disaster. In evidence to the Royal

Commission on Criminal Procedure, published today, the suciety says the choice is between community consent through increased powers. compatible with a democratic society; the second is not.

"Given the lack of democra tic or public control over the police, the call for greater powers on the scale proposed by the Metropolitan Police Commissioner seems to us to be a recipe for disaster.'

OPTIONS

DEALING DATES July 10 July 23 Oct. 4 Oct. 16 Aug. 7 Aug. 20 Nov 1 Nov 13 For rate indications see end of

Share Information Service Calls were dealt in Scottish City.

and Newcastle. Shell, Ladbroke First Last Last For and the Warrants, Louise First Land, Town Deal- Deal- Declara- Settle- Northern, British Land, Town ment and City, William Press, Laurence Scott, Diamond Stylus ICI, Millbury, Premier Oil and A put was done in MFL while doubles were arranged in Weeks Associates and Town and

ACTIVE STOCKS

ł			IND.				
		nomina		Closing	Change	1979	1979
ļ	Stock		marks		on day	high	low
İ	Shell Transport	25p	11	336	+ 8	402	278
ı	ICI	£Ι	9	334	+ 3	415	323
i	Barclays Bank	13	8	470	– s	514	360
ı	Beecham	25p	8	5 4 0	+ 5	755	520
Į	Hanson Tst. 'New'	Nil/po	1. 8	54pm	- 6	71pm	50pm
ı	Royal Dutch	F1.20	8	£32		£47}	£32
1	BAT Inds.	25p	· 7	264	- 2	362	255
ı	BP	Ε1	7	1.220	+ 10	1,295	882
ł	Reardon Smith A	50p	7	88	+ 3	88	324
ı	Unilever	25p	7	492	·- 4	680	490
	GEC	25p	6	360	- 1	456	311
Į	Bowater	£1	5	155		209	155
ł	Commercial Un,	25p	5	139	~ 1	185	139
ł	P. & O. Defd	Ω	5	102	·— 21	105	71
1	RTZ	25p	5	260	- 8	362	226
1		-					

RECENT ISSUES

				EQUITIES			
Issue Price p:	Amount Paid Up	Latest Renung. Dats	1979 High i Low	: Stock	Olosing Prios	+ or 20	Oovered Gross Vield Ratio
60 80%		11/7 27:7 22/6 22/6 10/8	91 : 76 99 : 9514 63 : 5014 41 ₂ 3 58 : 52 37 : 3014 44 : 36	Arrow Chemicals § & Q (Retail) 5p Fairline Boats Fulcrum inv. income ; Do. Capital 2½p Maiay'n P'ta Berhad Mettoy Dfd. Phicom 10p StandardTel.&Cables	83 961 ₂ 51 41 ₄ 58 301 ₂	2.44	2.5, 3.9, 15.8 3.2.8, 3.0, 17.8 5.3.6, 5.2, 6.9

FIXED INTEREST STOCKS

			·	
Pride to	Am unt Paid up Latest Renund Dute	: 1979 : High Low	Stock Stock	+ or
100 100 100 100 98 98 98	F.P. 27/7 F.P. 20/7 F.P. 30/8 £10 24/8 £10 18/10	112 1071 102 881 102 100 103 1212 113 1212	English & Overseas Inv. Conv	12
		***	UTCU AFFERE	

"Rights" offers

Price p:	Am uni	Late Renu Dai	ast hc. te	19 High	79 : Low	Stock	Closing prioss	
36	F.P.	9;7,	10/8	40	9615	Causton Sir (J.)	0712	?— 42
50.	F.P.	17/7	10.8	: 90	82	Century Oils	- C Z	i'
30	F.P.	10/7	10/8	. 60	1 22	Combined English Stores	701	í
	M11 .	- - -		1154	i Yaşbuı	Control Securities	7035III	1."
180	P.P.	20,7	10,8	225	203	Elliott (B.)	210	71
100	F.P.	13:7	3/8	138 -	; 125	Geever Tin	190	:
60	Nii :	3.8	719	. 18pm	ij 17pm	Goldberg (A)	17pm	<u> 1</u>
126 j	F.P.	29:6	10/8	146	131	Grand Metropolitan	141	i —ĕ
50 :	Nil :	_		71 nm	: 50am	Hanson Trust	54 pm	:6
47	Nil :	30/7	28/8	210 pm	g jabu	Hargreaves	≱pm	1ā
89	Nil	27.7	24.8	່ານັກກ	3pm	Highland Dist	9 pm	+2
155	F.P.	13.7	24 A	208	1821	Holt Lloyd Inti	208	
110	F.P.	5.7	7:0	114	109	Inti. Timber	113	!1
154	FP	99.6	97.7	784	157	MEPC	184	
105	FD	12/2	2/11/	170	106	McCorquodale	110	4.6
85	F.P.	22,6	20:7	121	: 10110	P.M.A. Holdings	116	;—2
810 -	Nil	22·6	20:7	60pm	' 40pm	Peterson Tennant	40pm	
365 ,	F.P.	15/6	27.7	298	370	Simon Engineering	298	+2
60 :	F.P.	20/7	10:9	129	: 110	Sound Diffusion	180	+2
108 :	Nii	27.7	20.8	62om	: 18om	Stylo Shoes	52pm	+2
57	FD.	タホップ	0.4.49	- 64	60	HRM	- 64	+1
87	F.P.	13/7	10:2	110	94	W.G.I	109	<u>-i</u>

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	& SUB-SECTIONS	 -	<u> </u>					7.7		7	1
	& Job-Scottons			Est	Gross	Est	1	1			T
Figu	ares in parentheses show number of	intex.	Day's	Earnings Yield %	Div. Yield %	P/E /	Index	index	Index	lader	1
	stocks per section	No.	Change	(Max.)	CAGT	(Net)	No.	No.	No.	No.	ŀ
		1. 5.	%	1	at 30%)			1]		I.
1	CAPITAL GOODS (172)	241.89	-04	17.72	5.81	7.33	242.50	242.10	F 220 00	238.93	1
2	Building Materials (27)	223.44	-0.7	18.73	5.94	6.96	225.24	224.50	239.99 271.12	220.17	ŀ
3	Contracting, Construction (28)	354.43	-10	25.74	5.89	4.86	358.19	353.18	351.33	350.69	L
4	Electricals (15)	585.66	-03	13.31	3.97	10:31	587.33	589.63	580.36	572.55	Ļ
5	Engineering Contractors (12)	382.17	-0.5	18.96	615	6.75	384.59	381.02	376.73	379.35	1
6	Mechanical Engineering (74)	179.07	-0.2	18.47	633	6.97	179.36	179.76	178.85	178.07	ŀ
8	Metals and Metal Forming(16)	165.94	-02	19.50	9.02	638		166.84	165.63	165.03	1
	CONSUMER GOODS	1 1							7		1.
11	(DURABLE) (52)	226.68	-05	16.01	5.03	7.94	227.81	221.57	226.22	222.23	Ł
12	Lt. Electronics, Radio, TV (16)	313.92	-0.5	12.58	3.81	10.56	315.44	31535	31L32	303.50	L
13	Household Goods (12)	151.65	-21	20,01	751	6.15	154.95	156.68	357.00	156.56	1
14	Motors and Distributors (24)	113.10	-0.2	23.14	.735	5.24	113.29	114.42	.113:74	113.27	ŀ
_ 1	CONSUMER GOODS	[·]	,								1
21	(NON-DURABLE) (171)	233.46	-0.1	16.48	5.90	7.66	253,74	235.41	23118	230.13	1
22	Breweries (14)	277.02	+0.4	16.14	5.46	731	275.83	275.28	271.32	27T.08	t
23	Wines and Spirits (6)	318.37	+2.8	14.62	4.52	9.97	309.57	310.64	306.77	304,75	ŀ
24	Entertainment, Catering (17)	308.14	-0.5	16.14	6.60	8.16	309.63	311.20	305.95	*303.92	
25 26	Food Manufacturing (19)	198.88	-0.6	19.90	651	6.25	200.10	205.77	201.96	200.92	Ŀ
40 32	Food Retailing (15)	380.39	0.6	11.95	421	10.44	30216	362.01,	270.52	290,75	ľ
33	Newspapers, Publishing (12) Packaging and Paper (15)	404.98 121.53	-0.4	23.08	715 917	6.10	408,60	410.24	412.10	414.92	ŀ
34 34	Stores (41)	243.35	-02	11.63	4.83	536 1149	121.56 243.74	122.70 241.77	123.10.	122.43	1
35 I	Textiles(23)	157.33	-10	23.18	9.68	5.47	158.95	159.68	239.00	237.80	l
36 I	Tobaccos (3)	232.41	-0.4	24.69	9.57	4.60	233.36	240.41	15713 234.38	154.40 233.39	ŀ
37	Toys and Games (6)	68.47	-0.8	33.26	9.84	3.61	69.02	69.82	68.48	68.57	1
41 l	OTHER GROUPS (99)	198.83	-0.4	16.04	630 1	7.68	199.67	201.42	199.27	.197.43	L
42	Chemicals (18)	276.02	+0.5	18.38	6.99	6.35	274.71	279.46	275.62	269.94	ľ
43	Pharmaceutical Products (7)	215.52	+0,1	13.01	5.07	939	21528	218 18	21502	274.11	١.
44 (Office Equipment (6)	116.97	-2.0	17.15	7.09	7.32	11933	120.26	322.04	117.97	١,
45	Shipping (10)	469.21	-0.8	10.02	6,39	13.37	473.12	470.40	463.76	466.35	1
46 <u>}</u>	Miscellaneous (58)	237.37	-11	16.40	6.35	7:88	239.99	240.52	231.03	238.03	1
49		233.74	-0.3.	16.65	5.90	7.60.	234.42	235,70	232.34	230.02	7
51]	0ils(6)	648.33	+14	1225	519	8,68	639.14	វារន	681.70	678.66	7
59	500 SHARE INDEX	267.24	. ÷ 1	15.87	5.78	7.77	267.20	271.11		256.72	7
<u> </u>	FINANCIAL GROUP(116)	190.65	-0.9		5.32		192.40	19.0	191.39	181 36	H
<u> 52</u>]	Banks(6) Discount Houses (10)	236.51	-13	28.16	4.91	459	239.71	245.34	244.27	236.90	
63	DISCOUNT HOUSES (III)	261.36	-62		7.02	ا ب	262.08	258.31	262.73	265.03	2
64	Hire Purchase (5)	163.80	-20	20.26	.530	6.33.	167.35	165/45	16.22	16237	1
55	Insurance (Life) (10)	151.92	-1.3	· — :	6.69		153.94	154.30	151.87_	149.59	
66	Insurance (Composite) (8)	120.88	-0.9		7.47	. — 1	121.94	123.40	12133	11989	• 1
57 58	Insurance Brokers (10)	240.53	-0.7	20.81	7.62	6.87	242.34	246.45	240.57	Z39.33	3
58 59	Merchant Banks (14)	98.60 356.64	-01 -05		`5.60		98.74	97.78	97.47	97.08	
70	Miscellaneous (10)	123.14	-05	3.09 ⁻ 15.11	2.47 -7.25	4838 8.48	358.24	355 57	348.79	346.41	2
// 		205.10	-0.4		5.46	-0.45	123.73	127.93	127.83	11927	. 1
íi l	Mining Finance (4)	115.24	-23	17.05	6.56	711	25.9	205.93	205,86	246.46	. 2
91	Overseas Traders (20)	330.56	-87	16.45	7.53	745	117.87	<u>11731</u>	115.78	114.65	
9	ALL-SHARE INDEX(750)			10.75		100	332.98	31.53	33L71	331.87	:3
• • •		~~·II)	-u.z j	. 	5.73	1	245.27	24.21.]	25.72	244.00	2
											-7

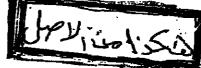
British		71								(Sppro
	Government.	Thurs, July 19	Day's change	today	nd adj. 1979 to date	1 2 3	Low 5 years Coopers 15 years 25 years	10.12 - 10.55 - 10.98	10.14 10.57 11.00	8.7 10.8 11.5
- 1	r 5 years	105.24	-0.27		= 4.94	5	Medium 5 years Caupous 15 years	12.22 12.12 12.02	1211 1208	11.4 12.0
1.	years 15 years	117.73 125.14	-8.06	0.44	651 7.94	7	High 5 years	12.39	12.53 12.51	121 115
4 Intel	eemables	140.05 115.42	-913	8.16	- 724 6.01	9 10	Coupons 15 years	12.39	12.40 12.39 10.49	12.5 12.7 11.6

15 20-yr, Red. Deb & 1		Index Yield No. 3	18 17	July July 16 18	12- 11	10 (appro
	- 59	Churs, July 19	Wed Tues	Mon. Fd.	Charles Labour	Toss. Yest

Coml and Indl Preis (20) 71.47

Investment Trust Prefs. (15) 51.65 18.01 52.64 52.16 52.16 52.09 52.09 52.09 52.09 52.09 50.07

9 (0Ms m



Minster Fund Managers Ltd. Minster Hse., Arthur St., ECAR 9BH 01-623 1050 Minster July 16. 188 406 -0.6 6.21 Exempt June 29 104 4 108.4 6.18 Tower Unit Trust Mngt. Ltd. 39/45 Finsbury Square, ECZA 1PX 01-626 2294 Income & Growth.... [22.9 24.1] -0.1] 8.80 **OVERSEAS FUNDS** Trades Union Unit Tst. Managers 9.16. 01-223-81// 6 57.5[__] 3.68 Earnds in Count? Public Trustee, Kingsiyay, WC2 Carbas July 5 7083 High Yield July 5 703 Baseth, Restricted to modes of Atlen Harvey & Rass Unit Tst. Mingra. 45. Commil. Looks ECSV 3P8. 01-6216314. AHR Gin & Pref. 1986. 105.81 +0.61 12.14 J. Henry Schröder Wagg & Co. Ltd. V(a)(c) 120, Chesoside, E.C.2 01-240 3434 6.T. Unit Managers Ltd 9 - 01-628 8131 16 Firsteiny Circus, 8C218 7DD 01-628 8131 GT. Cap. Inc. 1050 2093 290 Do. Acc. 1050 2093 290 Alled Hamuro Group (2)(9) Glem July 17. (Accum, Units) lustration Selection Fund NV National Provident Inv. Mngrs. Ltd. 9 48. Gracechurch St., ECSP 3HK. 01-623 4200 N.P.I. GRL Du Ts. 528 56.2 4.90 Learn. Units. 66.7 7.0 4.90 NPI O'sale. Trust. 1223 12015 250 (Accum. Units.) 133.5 141.3 250 "Prices on July 18. Next dealing Aug. 1. 6. & A. Trest (2) (g) 5 Rayleigh Road, Syerikwood 6. & A (2) 54.3 Tyndhil Mastaners Ltd. 9 18, Caryrae Road, Bristol. 1000res 149, 18 98.4 1.000res 149, 18 18.7 1.000 18 18.7 1.000 18.7 1 (1272 3224) 101.4 22.201 196.4 2.30 196.4 2.30 196.4 2.30 101.2 4.49 207.4 4.49 120.2 4.60 176.4 5.60 301.0 5.60 176.0 11.60 176.0 11.60 Lloyds Bank International, Geneva P.O. Box 438, 1211 Geneve 11 (Switzerla Lloyds Int. Growth 15734.50 358.01 1 Lloyds Int. Income 157.250 303.51 Eibles (Airbony) Unit Tst. Bigs. 14d. (a) 3-Frederikk's Pt., 0ld sewry, EC2 01-586 411 Sexts focome 93.5 33.2 956 Income 42.3 4.80 -0.2 956 Accumulation 77.0 55.7 4.40 NEL Trust Managers Ltd. 9 (a)(g) 8272 32241 88.4 -0.4 7.13 94.9 -0.3 7.15 38.6 -0.2 10.9 48.3 -0.2 10.9 48.3 -0.2 40.3 25.9 -0.2 40.3 52.4 -0.4 10.24 25.0 -0.4 3.75 40.8 -0.3 5.65 London Wall Group Capital Growth..... 68-73 Queen St., Eclinburgh EH2 4NX Dealings to: 01-554 8899 or 031-226 7351 Do Accum Extra Inc. Growth Do Accum Financial Printy 36.731 -0.51 3.15 26.71 -0.11 4.81 68.31 -0.91 3.04 Accust. Midland Bank Tst. Corp. (Jersey) Ltd. 28-34 Hill St., St. Heller, Jersey. 0539 362 Midland Drayton Gilt. (1015 1920) _____ 111 increasing Inco 56.3 -0.7 7.68 Right Income Famis Sun Allance Fund Mingt. Ltd. Son Allance Hise., Horsham. TSB Unit Trests (y) 21, Cleatry Way, Andover, H Dealings to CoS (h)TSB General 493 (a) Do. Accum 593 (b) TSB Scottes 599 (b) Do. Accum 563 TSB Scottish 81.2 (b) Do. Accum 88.5 747-24 92 Exp. Eq. July 11 [259.90 273.60] 433 975e Family Fd. [106.3 113.0 -12] 138 Govett (John)# 37 London Wall, EC2 01-588 5620 50.9| -0.7| 4.93 ..147.4 Target Tst. Mingrs. Ltd. w (a)(g) 31, Gresham St., EC2. Dealings: 0296 5941 | 125 | 0.7 | 4.36 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 Bishopsgate Progressive—Ldiz Agents 9. Bishopsgate, EC2N 3AD 01-588 628 702 -17 378 749 -02 374 374 +01 384 703 -06 248 ctor Funds 231-13 48 0232 35231 41.3| ----| 6.13 High Minimum Funds Select Internat 250 9 Select Income 57.3 264.8 -26 3.14 60.4 -0.4 8.40 Unit Trest Account & Mgmt. Ltd. 01-623-4951 45.54 ---- 4.50 39.2 --- 4.65 39.2 --- 4.65 177.01 7.40 259.9 3.03 and, day July 25. Provincial Life Inv. Co. Ltd.9 hav. Co. Ltd. v Co. 01-2476533 Scribits Securities Ltd. Co. 01-247653 Scribits Securities Ltd. Co. 01-24765 弱二 億 Archway Unit Tst. Mgs. Ltd.V (a)(c) 317. High Holbern, WCIV ThL. 01-831 6233 Archway Fund 1863 91-51 -11] 6.57 Prios at July 19. Next sab. day July 46. Brown Shipley Tst. Co. (Jersey) Ltd. 2.0. Eox 583, St. Helier, Jersey. 0534 74777 509. Bd. Fd. (h)........(£18:42 10.47)-0.02 12:20 lays Unicorn Ltd.\$ (a)(c)(g) na Ho. 252, Romford Rd., E7. 01-534.5544 -contd. 171.07 -0.8 -1.268 115.07 -0.71 12.68 107.2 -1.07 12.68 107.4 -1.07 7.82 107.4 -1.07 13.88 113.3 -0.8 19.2 01-405 9222 Capital International S.A. Financial & 170 Olf & Nat. Res...... 到過過 General Growth Acc.... Income Tst. a. Prf. A'ns, Tst... Crusader Insurance Co. Ltd. Vincula House, Tower Pl., EC3. 93.0 Prices at July 17. Next desiring July 25. Quest Fund Mingrant. Clerrety). Ltd. PO Box 194 St. Heher, Jersey. Quest July 18. 1959. Quest July 18. Next deskeys July 29. Quest July 18. Next deskeys July 25. Richmond Life Ass. Ltd. 48. Athol Street, Douglas, LCM. Color Income Bd. 1825. Do. Dramond Bd. 1825. Do. Lamond Bd. 1825. Do. Lamond Bd. 1825. Do. Lamond Bd. 1825. Do. Lamond Bd. 1825. Do. Carrillot C. St. 1885. Management R. L. 1 Eagle Star Insur/Midland Assur. 3931 -0.21 London Life Linked Assur. Ltd. Equity & Law Life Ass. Sec. Littly Amersham Road, High Wycombe. Equity Fd. 124.6 131.3 2.2 Proberty Fa 125.3 131.8 2.7 Fized Interest F 121.8 128.2 111 Gdd. Deporit Fd 105.7 111.7 Littled Fd 125.4 131.9 -1.0 Baring Bruthers & Go., Ltd.♥ (a)(x) 88, Leadenhall St., ECS. 03-588 2830 inte. 0494 33377 131 31 -- 22 -- 131 8 -- 1 -- 131 8 -- 1 -- 131 9 -- 1 1 -- 131 9 -- 1 0 -- 131 9 -- 1 0 -- 1 Albany Life Assurance Co. Ltd. 3) Old Burlington St., W.1. 01-437 5962 Allowing St., W.1. VEGUNY Fd. Acc. 2793 VF. red Im. Acr. 160.8 VGGU. Money Fd. Ac. 121.9 VIIII. Man. Fd. Acm. 1723 Hill Samuel Unit Tst. Mgrs.t (a) Hall Sarmer | Unit Tst. Migrs.; (a) 45 Beets 52, EC2P 2LX (D1-629 8001 CD British Trest. 156 4 1673 -22 556 (b) Capital Trust. 67.9 72.7 -0.4 3.88 (b) Flavorial Trust. 67.9 72.7 -0.4 3.88 (b) Flavorial Trust. 67.9 1055 4.69 (b) Helph Yeld Tst. 27.7 118 8.54 (b) Helph Yeld Tst. 27.7 118 8.54 (c) Int Times. 72.0 4.36 (d) Int Times. 72.0 4.36 (d) Sect. Six: 1st. 241 2.58 4.36 (d) Sect. Six: 1st. 241 2.58 4.36 (ed. Exempt. May 16 61330 160.0) 4.48 The London & Manchester Ass. Gp.V Winslade Park, Exeter. 0392 52155 General Portfolio Life Ins. C. Ltd.V 0705 27733 Wakham Cross. WX31 155.4 | 152.4 | 14.6 | 46.8 | 18.4 | 50.8 | M & G Group W Three Quays, Yowe! Assericanfd.Bd.* Convert. Deposit* Equity Bond** Exita Yieldfd. Bo.* Family 81-86* Family 81-86* Git Bond*** Investment Intelligence Ltd. 9 (2)(9) 25, Christopher Street, E.C.2. 01-247 7243 AMEV Life Assurance Ltd.V 0202767655 | May | Fand | Managers | Ltd. (a)(g) | 25, MHz St., ECZV SIE | 01-606 7070 | Key Energy in Fd. | 1945 | 100.51-1.2 | 215 | Key Energy in Fd. | 1945 | 100.51-1.2 | 215 | Key Energy Fd. | 2065 | 209.52 | 14.75 | 4.98 | Key Income Find | 76.6 | 81.4 | -0.7 | 10.16 | Key Fixed für. Fd. | 59.0 | 62.8 | 12.31 | Key Small Co's Fd. | 119.6 | 127.2 | -0.6 | 5.24 | 12.31 | Key Small Co's Fd. | 119.6 | 127.2 | -0.6 | 5.24 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.31 | 12.3 +4.8 +0.2 Growth & Sec. Life Ass. Soc. Ltd. V Growth & Sec. Life Ass. Soc. Ltd. Flerable Finance 107.8 Landbank Secs. Arc. 127.4 C. & S. Super Fo. 28121 AMEV/Framinoton all Co's Fd | 119.6 | 121.2 - 121 | 5.24 | 5.24 | 5.24 | 5.24 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5 +02 Save & Prosper International. Barchys Life Assur. Co. Ltd. 252 Rendard Ro. E7 BarchyGoods 125 1 Enuty 125 1 Dealing to P.O. Box 73, St. Heller, Jersey 01-534 5544 Eurobond Holdings N.V. Handetskade 24, Writerstad, Curacao Loudon Agents: Intel, 15 Ehristopher St., EC2, Tel, 01-267, 7243, Teles: 8614469; Price per share July 13, USS20,14sc sement Ltd.* ... 01-588 2800 L & C Unit Trest Manage The Stock Exchange, EC2N 1HP. SSMPANCE Co. Ltd. London EC4 2DY., 01-353 8511 L&C loc Fd 1904 L&C lot & Gen Fd 1957 155.31 Fier. Pen Amer (Cap) 194. 201. 4 101. F. & C. Monst. Ltd. Inv. Advisers | Storia American | Sci | Storia | Storia American | Sci | Storia Basis Rates Place Place Place Basis Rates please Place Basis Rates please Place Basis Rates Place Place Basis Rates please Place OJ-363 8511 Current us: take July 9. Beelstive Life Assur. Co. Ltd. 9 71, Lookard St., EC3 Black Hers Man, Fo. 148 50 - 1 Warsiged Inv. Fol. 107.68 108.09 - 1 Warsiged Inv. Fol. 107.68 108.09 - 1 Warsiged Inv. Fol. 107.68 108.09 - 1 Fued Interest Fol. 90.17 106.39 - 1 Each Fol. 92.66 107.47 - 1 Each Fol. 93.66 93.55 - 1 Eathe Incher Fol. 97.77 102.52 - 1 Belanced Fol. 80.55 93.52 - 1 Belanced Fol. 80.55 93.52 - 1 Fidelity Migmt. & Res. (Bda.) Ltd. P.O. Box 670, Hamilton, Bermuda Fidelity Am., 8 USS26.86 Fidelity Di.Sav.7st. USS26.34 Fidelity for. Fund. USS27.35 Fidelity Pac. Fd USS27.35 Fidelity Wild Fd USS21.34 Fidelity Wild Fd USS21.34 Fidelity Wild Fd USS21.34 Fidelity Wild Fd USS21.34 For Prices of other Units and Eurometed Basis Rates please Proce 01-323 8511 Solar Life Assurance Limited 10/12, Ety Place, London, ECIN 67T, 01-242 2905 Managed 125-5 127 1-02 Equity 135-1427 - 10 Equity 135-1427 - 10 Equity 135-1437 - 0.5 Equity 135-1437 - 0.5 Equity 135-1437 - 0.9 Distribution 98-8 101.9 + 0.6 9.00 Proce for Series 1 single premium plans will be fractionally lightly than store above. Sum Alliance Found Mangent Ltd. Sum Alliance House, Horstam. 0403 64141 Equity Fond 149-6 175-7 - 2.0 Fluedimpress of 117-9 174.2 - 12 Property Fund 130-8 137,7 +0.1 International Fd. 1817-8 1919 +0.2 Property Fund 130-8 137,7 +0.1 International Fd. 1817-8 199-9 +0.2 Managed Fund 130-8 137,7 +0.1 International Fd. 1817-8 199-9 +0.2 Managed Fund 130-8 199-9 -0.6 Managed Fund 130-9 199-9 -0.6 Managed Life Managed 144,7 - 1 Managed Life July 128,7 - 1 Pers. Man. Cac. 103.9 103.7 - Pers. Man. Cac. 103.9 103.7 - Target Life Assurance Co. Ltd. Larget Hose, Gateboose Read, Aviesbatts. Deposit Insual 1955 Dr. Accum. 1974 Dr. Accum. 1975 Dr. Accum. Schlesinger International Mint Brown Shipley & Co. Ltd. 9 02-600 8520 85 Units Jey 17 200 3 520 4 520 4 462 Canada Life Assurance Co. 2-6, High St., Potters Bar, Herts. P. Bar 51122 Edy. Cife-Pd. July 2. |65.9 Edy. Cife-Pd. July 2. |65.9 123.7 0705 27733 Edys, Girt-Fd, Juby 2 (5.9) Carnon Assistance Ltri. 1 Olympic Way, Wembley HA9 ONB. 01-902 8876 Ennity Units. 18 78 - -0.11 Property Units. (21.19 - 10.11) Property Accom. (21.4 95 15.82 + 0.07) Entity Accom. (21.4 95 15.82 + 0.07) Property Accom. (21.4 95 15.82 + 0. Per. D.A.F. Cap. 115.4 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 Detailords. Detai Eroth Fund 98.7 103.7 101.5 Life Assurance Cn. Ltd. 11. Finsbury Square, EC2 Else Chip July 13 74.7 78.6 5.00 Sl. Ca. Ser. II July 13 73.2 245.5 11 Elanage Fund 123.2 245.5 11 Elanage Fund 123.7 104.4 11 Elanage Fund 123.7 104.4 11 Fro. Md. Luly 1 71.0 105.4 11 Fro. Md. Luly 1 71.0 125.5 11 Fro. Md. Gri. July 1 71.0 125.5 11 Fro. Md. Gri. Ser. II 112.9 118.8 11 Property Assurance Co. Ltd. 4.5 king William St., EC4P 4KR. Wealth Ass. 1193 125.6 Ebr. Ph. Ass. 901 923 Tokyo Pacific Holdings NeV. Inims Management Co. N.V., Chracab. NAV per share Joly 16. 18566.81. Tokyo Pacific Hidgs. (Seahoard) N.V. Inims Llanagement Co. N.V., Corcab. NAV per share July 16. 20548.68 Tyndall Group P.O. Bor 1256 Hambion 5. Bermala, 2-2760 Derseas, July 18. JUSS 18. 2.05-0.02 Accum. Units). JUSS 18. 2.05-0.02 Accum. Units). JUSS 18. 2.05-0.02 Accum. Shares 18. JUSS 18. 2.05-0.02 American July 17. 27.5 225-0.02 American July 17. 27.5 225-0.02 Accum. Shares 2. 27.6 Cacum. S Prop. Equity & Life Ass. Co.\(\foats\) 119 Crawford Street, WIH 2AS. 01-486 0857 R. Sitk Prop. Ed. 2020 Do. Equity 8d. 86.9 +1.7 Flex Money 8d. 166.0 -100 --R. Silk Prop. Bd. 2020 Do. Emiry Bd. 1640 Property Growth Assur. Co. 1414 Leon House, Croydon Cr8911.0. 01-680 0606 Property Fund (A) 2001 Property Fund (A) 2001 Adjuct Fund (A) 2003 Emitty Fund (A) | Midzand Bank Group | 448 | Midzand Bank Group | Unit Trust Managers Int. | (a) | Countrol Horse, Sher Street, Head | Shefflett SI 970 | Countrol Horse, Sher Street, Head | Shefflett SI 970 | Tel. 0742 79842 | Sher Street, Head | Shefflett SI 970 | Tel. 0742 79842 | Sher Street, Head | Shefflett SI 970 | Tel. 0742 79842 | Sher Street, Head | Shefflett SI 970 | Tel. 0742 79842 | Sher Street, Head | Shefflett SI 970 | Tel. 0742 79842 | Sher Street, Head | Shefflett SI 970 | Tel. 0744 | Tel World Wide Grewth Managemento 10a Bulleard Royal Lucritourg Voctonide Gib Fd USS1871 |+022| — Prices do not include 5 premium, except where indicated, and are in peace unless otherwise indicated. Prices do not include 5 premium, except where indicated, and are in peace unless otherwise indicated Prices, 6. 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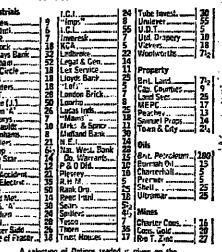
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Egits & Lan Sp.	2174
Gen. Accident	208



FINANCIALTIMES

Friday July 20 1979



Private sector steel prices up

BY ROY HODSON

A NEW ROUND of steel price increases has started, with the initiative this time taken by private-sector steelmakers.

Rises averaging about 6 per are being imposed by member companies of the British ndependent Steel Producers Association in letters to their customers this week. Most take effectf rom August 12. Industry's annual steel bill

will be increased by some £60m in a full year by the privatesector increases.

British Steel Corporation has

completed its own round of price increases with a series of impositions on flat-rolled products from July.

Tradition

The corporation has traditionally acted as price-leader in the British market. Now it will find itself in the unusual position of under-selling private producers on competitive products by 6 per

British Steel would add a further £100m to the nation's annual steel bill if it raised its prices to match those in the private sector. The corporation is not expected to act imme-

Though it needs extra revenue, British Steel is likely to study the situation for several weeks to see if the higher private-sector steel prices are maintained in the generally weak steel market.

Trading in August will not give an accurate indication of the market's price sensitivity. because buying is always at a low level then.

Imports

The higher private-sector prices must stick during September without causing an abnormal rise in cheap steel imports. If they dod. British Steel will be tempted to follow

The private-sector companies take a calculated risk in rais-ing prices to maintain profit-ability.

British Steel uses some electric steelmaking, but most is basic oxygen furnaces DROXFORD ENGINES, the which became 13 per cent dearer to run in the EEC in

the past year.
There is little chance of BSC's managing to break even by March 1980, as required by the Government, unless it raises prices by the autumn. It is losing about £1m a day.

Weather

UK TODAY
CLOUDY WITH some rain, Sunny intervals in job losses at other marine

London, S.E., S.W., Cent. England, Channel Is. Mainly dry, rather cloudy. Max 19C (66F). East Anglia, Midlands, S. Wales Rather cloudy, rain at times.

Max. 18C (64F). E., N.E. England Cloudy, some rain, becoming drier and brighter. Max. 18C

Lakes, Cent., N., N.W. England, Isle of Man, N. Ireland, N. Wales

Occasional gain dying out, sunny intervals and showers developing. Max. 17C (63F). Borders, Edinburgh and Dundee area, Moray Firth Sunny periods, showers developing. Max 18C (64F). Rest of Scotland Showers, sunny intervals.

Max. 16C (61F). Outlook: Unchanging.

WORLDWIDE

Boulgn. C 15 59 Mainth F 24 75 Brisson C 15 59 Mainth S 21 75 Brisson C 15 59 Mainth S 22 75 Brisson C 15 50 Bri	Algiers F 23 84 Locerno Amadm, R 15 59 London Athens S 31 88 Luxmbg. Behrain S 35 95 Madrid Bercina, S 23 32 Majorca Belfast C 14 57 Malaga Berlin C 17 63 Mchstr. Burnitz C 21 70 Melbne. Bunghm, C 15 59 Millan Blackni C 15 55 Millan	1940 °F6 682 988 847 6682 988 847 848 748 827 888 848 748 827 888 848 748 848 848 848 848 848 848 84	linarycas es would still be heard. After taking legal advice, it said it would continue to seek leave to appeal to the Lords—although the court had refused this—or contest the matter at a full trial, or both. Mr. Ken Ashton, NUJ general secretary, said the union did	disciplin were ex said the pending dispute strike. He sai the uni- committ
	Bristol C 15 55 Nairrobi Brussels C 15 59 Nairrobi Brussels C 15 59 Naples Budpst. S 29 84 Newcstl B. Aires C 3 47 Nicosia Caire C 15 59 Nicosia Cas'b'ce F 23 70 Oporto Cape T R 13 55 Oslo Chicago S 25 77 Paris Cologne C 17 63 Prague Conhign C 16 61 Roykivk. Corfu S 30 85 Rhodes Dublin C 15 59 Rio J'o Dubrynk. S 27 81 Rome Ednogh. R 12 54 Salzb's Fonchai S 26 777 Smagapt. Frankf'r F 19 66 Strasb'g Fonchai S 24 775 Sydney Grasey C 16 61 Tenerific Helsinkt F 18 64 Tokyo H Kong C 30 R7 Toronto Unosbr'k Invinse. R 12 54 Valencia Invinse. R 15 65 Wienna Jersov C 15 66 Wienna Jersov C 15 77 Zurich		itself with an accumulation of further large cash balances. Very soon the Corporation would no longer be able to use these balances for the early redemption of debt since all its National Loan Fund advances would have been redeemed. Hence, it might be necessary to find "appropriate ways" to handle this cash. The third idea being considered by Energy Ministers is an increase in the price of gas as paid by the Corporation to producers in the southern sector of the North Sea. This would probably be accompanied by	but, if in give in ancial gas exp ment. It is e panies i are receiless tha cubic feequivales \$3.40 to North Scother has \$23 a bair Oil c plained incentive

U.S. Health Secretary goes

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

swept aside by President Carter's administrative broom.
He is to be replaced by Mrs.
Patricia Roberts Harris, the black woman who has served up to now see Carter's administrative broom.

He is to be replaced by Mrs.

It is now obvious that the black woman who has served up to now see Carter. black woman who has served up to now as Secretary of Housing and Urban Development. No successor to Mrs. Harris was

immediately named. Mr. Califano, showing disappointment but avoiding direct criticism of Mr. Carter, said at a press conference that the President had told him on Wednesday that his resignation was heing accepted for two reasons, friction between the Department and the White House staff, and need to restructure the Government to prepare for the 1980 election campaign.

It is evident that Mr. Califano's departure is the handiwork of Mr. Hamilton Jordan, political adviser to the Presi-dent, who on Wednesday was elevated to the position of White House Chief of Staff.

When asked for his own com-

MR. JOSEPH CALIFANO, U.S. ments about the capabilities of Secretary of Health, Education Mr. Carter's inner circle. Mr. and Welfare, yesterday became Califano pointedly and briefly

between Government and Mr. "Tip" O'Neill, Speaker people," a major theme of his of the House, was another Presidential address last Sunday influential Congressman to Government lead the American Government. technology.

In moving Mrs. Harris into Mr. Califano's job, the President and tMr. Jordan clearly from Mrs. Harris. hope to deflect criticisf that a prominent Cabinet liberal has been purged.

She is reckoned to be a forceful an dindependent advocate of social causes who has had own confrontations with the White House.

But this did not prevent such prominent liberals as Senator Edward Kennedy of Massachusetts from springing to Mr. Califano's defence.

The second secon

It is now obvious that the ordinary dedication and reshuffle is being tackled on a loyalty," and expressed his piecemeal basis, though as surprise that "in a time of spedily as possible,

Mr. Carter spoke briefly yesterday of the need "to ousted was the man with the strengthen the crucial ties social mandate, Califano as a man of "extrasocial mandate. Mr. "Tip" O'Neill, Speaker

regret Mr. Califano's departure, which he hopes to reform public though his attitude could be perception of his competence to modified if, as was said but not confirmed yesterday, Mr. Carter nominated Mr. O'Neill's son, the former Lietenant-Governor of Massachusetts, to take over

> Welfare Department matches tary. the Pentagon both in size and

for the President to ring to

son and Kennedy Administra Mr. Kennedy described Mr. tions, with extensive political connections, not least with Sena tor Kennedy, he was considered an able administrator in a De-partment many have judged un-

Mr. Carter also appaered on the verge of nominating Mr. Benjamin Civiletti, number two in the Justice Department, to succeed Mr. Griffin Bell as Attorney eGneral. Mr. Bell has let it be known for months that he wants to retire later this summer. But there was no firm word on the immediate future of either Dr. Schelsinger, the Energy Secretary, whose departure, sooner or later, is rom Mrs. Harris. taken for granted, or Mr.
The Health Education and Blumenthal, the Treasury Secre-

It is as much the way in whihe scope. Its constituencies are the reshuffle is being conducted vast and diverse, and it appears as the personalities involved to have ben Mr. Califano's prob- which attracting comment lem that he alienated too many here, much of it unfavourable to the President and Mr. Jordan.

Port of London aid to continue

BY IAN HARGREAVES AND PAUL TAYLOR

THE GOVERNMENT is to go on bailing out the loss-making Port of London Authority and is considering the establishment of a "new town" style authority in East London to plan the regeneration of docklands.

The docklands plan also has implications outside London because it could be linked with legislation to force all local authorities to sell off surplus

Mr. Norman Fowler. Transport Minister, is due to make a statement on PLA finances

£10m Government-backed loan, approved by the Labour Government, along with a £35m sum to cover staff severance costs.

Sunderland-based member of

British Shipbuilders, is to shed

Altogether, 487 men will lose

their jobs at Doxford, which is

to home of the only British-

designed slow-speed marine

In an effort to secure the

future of the remainder of the

workforce, British Shipbuilders

has authorised the company to

assemble "from materials in

The Doxford redundancies are

expected to be followed by more

On Clydeside, an announce-

ment is expected shortly that

the engine building interests of

Scott Lithgow and John G.

Rincald are to merge. This

three three-cylinder

almost half its workforce.

diesel engines.

engines.

engine companies.

That would be a response to the PLA's one-year plan to shed 800 jobs by next July and to achieve further improvements in working practices. Without the aid the PLA, which lost £17m last year, could run into

a financial crisis this summer. Mr. Fowler's statement will not constitute a formal response to the PLA's recently delivered five-year corporate plan. However, he is implicitly backing the core of its corporate strategy, which is the retention of both upriver dock complexes.

Doxford Engines to cut jobs

In March the two Tyneside

builders, George Clark/NEM

and Hawthorn Leslie announced

the first steps towards merger, with the creation of a central

Clark-Hawthorn company for

marketing and commercial pur-

announced last year that it was

going into general engineering

and has ceased work o marine

ford's three engines for stock

will keep it busy until the end

of this year, the two Clydeside

companies have work until the

autumn and Clark-Hawthorn5s

orderbook extends until the end

redundancies

Under the five-year plan the PLA is offering to transfer its He is expected to authorise release of the first tranche of a surplus land of over 1.000 acres to a new docklands authority in return for the writing-off by the authority's £96m debt.

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

the wider scheme being pursued

authority taking responsibility from local authorities for major infrastructure spending. Over £280m is already earmarked for roads in East London in the 1980s and the GLC also hopes to extend the Jubilee Underground Line to docklands, although Mr. Fowler said on Wednesday that alternatives should be investi-

Legislation to force local authorities to sell surplus land would be an extension of Mr. Heseltine's proposals for a published register of surplus land This idea is a component in held by public authorities.

blow with the loss of a four-

engine re-engining contract for

Seatrain, the U.S. shipping com-

Hamburg won this contract in

a deal which has involved trans-

ferring the ownership of the

ships to a German company,

claib only 1 per cent of the

ford has been considered by

must remain a possibility if new

The complete closure of Dox-

world market

Howaldtswerke-Werft

Barclay Curle, British Ship-builders' sixth engine builder, which will then charter the re-builders' sixth engine builder, engined vessels back to Sea-

The shortage of work at all been the only standard bearer the companies is critical. Dox- of British slow-speed diesel

Clark-Hawthorn has just orders are not found quickly.

In dockland about 80 per cent by Mr. Michael Heseltine, the of the 5,000 acres is owned by Environment Secretary, to the Greater London Council, the release surplus land through the country for private development. In docklands this would involve a kind of new town authorities.

Britain's 32 new town authorities.

ties have ben able to attract new jobs and private investment to their areas. A similar solution in docklands has been suggested before but was always rejected by the previous Labour administration. The new town authority in

dockland could be formed from the recently-established management team of the Docklands cover is about 1.7 times. Joint Committee which contains several men with extensive experience of new town develop-The committee composed of the GLC and the five docklands boroughs.

Continued from Page 1

Limited NEB role assured

and therefore it will take some time to bring them to the market." said Sir Keith.

The blow to Doxford is par-ticularly unfortunate, as the Richard Evans writes: Many company has for many years Conservative MPs were surprised last night at the limited scale of the Governengine design. But now it can ment's proposals for cutting the power and influence of the NEB and warned privately that Sir Keith's announcement would be regarded as only a first step. British Shipbuilders and this

Sir Keith's admission that the review would make little immediate difference to the NEB clearly concerned some MPs and it was argued that only by withdrawal from BL could the real economic facts be brought home to management and employees.

There will be pressure at the Conservative Party Conference and during the rest of the session for the Government to introduce very wide-ranging proposals to withdraw the NEB from the private sector and to reduce its finances.

Mr. John Silkin, shadow Industry Minister, vigorously attacked Sir Keith's proposal but there were mocking cheers from many Labour MPs when it became clear that the NEB would continue, at present at least, to have a role of some significance.

Labour leaders were relieved that the statement was not mor brutal in its attempts to curtai the activities of the NEB, but pointed out that the disposal of £100m in assets only covered the current financial year.

Journalists strike 'broke rules'

BY OUR LABOUR EDITOR

union for refusing to go on strike last winter should be reinstated. Lord Denning, Master of the Rolls, said yesterday.

The Court of Appeal found that the strike, over a pay claim in provicinal newspapers, was unconstitutional because there had been no prior ballot of the membership of the National Union of Journalists. But last night the union said them.

about 100 outstanding discip-linarycas es would still be heard. After taking legal advice, it although the court had refused this—or contest the matter at or contest the matter at a full trial, or both.

Mr. Ken Ashton, NUJ general

MORE THAN 650 journalists not accept the judgment in its power to act as it did, but legal expelled or disciplined by their totality, and regarded it as "a analysis of the union's rules union for refusing to go on threat to the traditional demosphere to act as it did, but legal analysis of the union's rules showed it had gone too far. cratic and hard-won right of all

journalists in Birmingham and Coventry who had ignored the strike instruction. They were appealing against the refusal by a High Court judge in February to stop the NUJ disciplining them

Of the NUJ members disciplined since the strike, 482 were expelled. Lord Denning said it would continue to seek said they should all be restored leave to appeal to the Lords— pending any full hearing of the dispute about the legality of the strike.

Mr. Ken Ashton, NUJ general the union's national executive secretary, said the union did committee thought it had the

It is estimated that oil com-

panies in the southern sector

are receiving on average a little less than 60 cents per 1,000 cubic feet for supplies: the

Oil companies have com-

plained that there is no

incentive at present to search

Large gas price rises

A ballot was required when

cratic and hard-won right of all trade unions and their members to resort to strike action if necessary."

The court allowed appeals by journalists in Birmingham and Coventry who had ignored the strike instruction. They were appealing against the refusal by its instruction for support from national newspaper members. national newspaper members. freelances, radio, television and public relations members meant a majority had been affected. Lord Denning said he thought that withdrawal from employment (the phrase used in the union's rulebook; included the partial withdrawal by members

from the workaday world by refusing to handle certain

material or not doing proper

Continued from Page 1

itself with an accumulation of but, if introduced, it would also further large cash balances give the industry more director of Tricentrol Out Very soon the Corporation financial incentive to carry out Corporation told London oil analysts earlier this week:

"Gas exploration in this offsetively stopped" "Gas exploration in this country has effectively stopped because the return to the investor is effectively zero."

The analysts also heard that last up to about 25 natural gas ever. handle this cash.

The third idea being considered by Energy Ministers is North Sea oil producers, on the fields off Britain could become economic to develop if prices were allowed to rise substanan increase in the price of gas other hand are receiving about as paid by the Corporation to \$23 a barrel.

British Gas is paying considermore hostile northern waters of supplies.

the North Sea, as is shown by the way the cost of natural gas supplies has been rising. In 1976-77 the cost averaged 2.03p per therm, last year the cost wa 4.47p; and this year it should average 6.11p. The average gas price imported from Norway last year was 12p a therm, how-

The Corporation is likely to resist a major revision southern gas prices, partly because it feels they would not be justified and partly because it is not anxious to stimulate a ably higher prices for supplies major development programme from newer discoveries in the resulting in a temporary glut of THE LEX COLUMN

DCL strengthens its payout

The first day of the new exchange control regime pro-duced no fireworks. The effective dollar premium fell mar-ginally and on a trade weighted basis sterling was another 1 per cent higher at 72.8.

Once again gilts were taking their cue from the strength of sterling. Having been £1 lower sterling. Having been £1 lower at one stage in the morning, prices closed virtually unchanged, reflecting the afternoon rise in the pound. Little attention was paid to the June money supply figures. A 1.1 per cent rise in sterling M3 was much as expected but a near fibrarise in bank lending plus £1bn rise in bank lending plus another £300m rise in bank acceptances held outside the banking system demonstrates the scale of the recent surge in

With two months of the monetary year gone the Chan-cellor's 7-11 per cent annualised target range for the next ten months is now equivalent to the previous 8-12 per cent range for the full 12 months. But the VAT increase makes the target tighter than it looks.

Distillers

Despite having to contendwith strengthening sterling, long disputes at its gin distil-leries and the effects of the haulage strike, Distillers had a nseful second half, and pre-tax profits for 1978-79 as a whole are 11 per cent higher at £180.1m. What pleased the market more was that the final dividend was increased by an amount that lifts the net payout for the year by over a third-a gesture which, coming from such a conservative company, suggests a fair level of confidence. Current cost

The group hopes it has now arrested the loss of market share, both in the U.S. where 1978-79 volume was down from the exceptional levels of 1977-78 (although some of the industry statistics are felt to be market seems to have stabilised High Street retailers (though shares yield 3.4 per cent.

at around a quarter following the withdrawal of Johnnie Walker Red Label, In Britain a price increase will help earnings in the first half of the present year, but North steadily eroded. The continued firmness of

sterling and the worsening economic climate are causing some concern, but DCL should still make £200m in the current year, helped by some recovery from the strikes and the suc-cess of the Claymore brand. The group's products may not be recession-proof but they do have a certain resilience; the shares have outperformed the market for some time now but the higher yield, now 6.4 per cent at 227p, makes their defensive qualities even more attrac-tive. The prospective p/e on a

30 per cent tax charge is

GUS

Even in a financial year which—ending in March— to £40m. The group is fortunate missed the second quarter's in having built up a very strong sparkled. Pre-tax profits growth year of 1972-73. But the winter's troubles took their toli, clipping profits growth from the 25 per cent of the first halfyear, while sales growth in October March was no more than 12 per cent against a fifth in April-September. This could be a little deceptive, however, for GUS has a substantial over-

seas retailing business—accounting for around a fifth of turnover-and the improvement of the sterling exchange rate will have affected the contribution of this part of the group.

At home mail order continues to catch the eye, with industry

Index fell 0.1 to 471.9 partly missed out on the boom ahead of 15 per cent VAT).

Furniture, footwear and the Global tours business have all done well, though the up market Burberry and Scotch House subsidiaries had a quiet time in the post-Jubilee year.
A dividend rise of 27 per cent
is scarcely exciting against the background of these results cover after a 41 per cent tax if charge is still 3.5 times—but n-the "A" share price seemed happy enough, rising 8p to 384p to

Dowty Group

At a time when a soaring exchange rate is threatening the export competitiveness of a large part of British industry it is refreshing to find a UK exporter that is still doing rather well. In Dowty Group is in this select category.

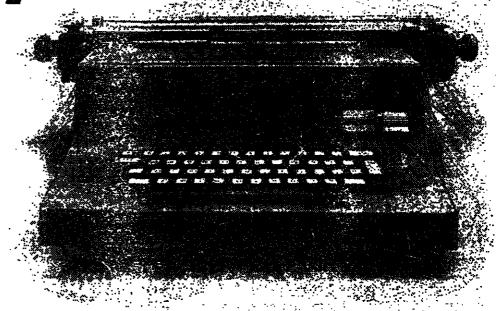
where the vield is 4 per cent.

During its last financial year's sterling appreciated by over 10 per cent against the dollar, yet bowly's pre-tax profits are 25 per cent ahead at £31.2m and in the cent ahead at £31.2m and i the current year they could rise by much the same again to close bulge in consumer spending, position in the aerospace Great Universal Stores has business where trading profits arc 35 per cent higher and this is 21 per cent to £155.4m, the side of the business should biggest advance since the boom continue to produce steady profit growth for several years:

On the mining products side export competition is stiff but the bulk of the large Chinese order should be delivered in the current year which will cushion profits. Further down the line the sharp rise in oil prices should stimulate a big increase in coal mining which will boost demand for Dowly's products.

So the group should be able to generate profits growth of 20 per cent per annum or so over the next fe wyears. Meanwhile, the group is taking a cautious line on its distribution police. The dividend has been increased by 68 per cent but is still covered unreliable), and in the UK statistics showing that the three times on a fully taxed and where its share of the whisky sector is as usual outperforming current cost basis. At 315p the up's and tels. ime t on last

of office space if you can't staff it?



In Swindon you can recruit most skills you need from our 150,000 population. Key staff are guaranteed housing. Education and training facilities are among the best in the country. The quality of life is truly exceptional. Communications are second to none.

Space available from 500 to 50,000 square feet. Larger developments of around

250,000 square feet are in the pipeline. Send for the Swindon fact file and decide for yourself whether anywhere else measures up.

Contact:-The Industrial Adviser, Civic Offices, Swindon SN1 2JH. Tel: (0793) 26161. Telex: 44833.

